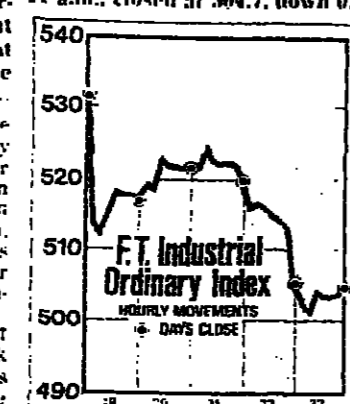




BEVERSON... THE LEX... unlop... a punch...

BUSINESS EQUITIES lose 27.2 on week; gilts up

Equities were weaker at first, but rallied slightly. The FT 30-Share Index, off 4.3 at 11 a.m., closed at 504.7, down 0.8...



On the day, the index fell 27.2 on the week, its biggest percentage drop in any week in seven months. South African gold shares were again in demand...

STERLING eased 2 points against the dollar to \$1.7430, but its trade-weighted index rose to 62.4 (62.3). Dollar's trade-weighted depreciation narrowed to 0.65 (0.71) per cent.

WALL STREET was up 2.25 at 841.39 at 2 p.m. U.S. MONEY SUPPLY: M1 \$331.6bn. (\$229.6bn.); M2 \$793.9bn. (\$791.3bn.); commercial and industrial loans, up \$462m. (down \$272m.); fed. funds 6.10 (6.05) per cent.; av. rate on dealer-placed commercial paper 6.17 (6.01) per cent.

TRANSPORT WORKERS' leader, Mr. Jack Jones, says the Government should reconsider its inflexible attitude to the level of pay settlements in both public and private sectors of industry. Unions and employers should be trusted to make settlements for their own circumstances and the Government should be increasingly on the sidelines.

STEEL consumption fell in the motor vehicle and construction industries in the second quarter, as a result of car workers' stoppages and the building recession. But the fall was offset by an increase in steel supplies used in mechanical engineering.

WARD WHITE pre-tax profit recovered to £1.3m. (£0.44m.) on sales of £29.85m. (£22.93m.) in the first half. OFFICIAL RECEIVER has criticised Sir William Piggott-Brown over his management of London Bridge Securities, which went into liquidation last year.

PRICE CHANGES YESTERDAY table with columns for RISES and FALLS, listing various commodities and their price changes.

French Left wing fails to produce election alliance

BY ROBERT MAUTHNER: Paris, Sept. 23

France's Left-wing alliance which, until recently, seemed sure of winning spring's general election, was today in the throes of its worst crisis since its formation five years ago and on the verge of breaking up altogether.

At the end of the talks, however, the Communists were still demanding the nationalisation of more than 700 companies, while the Socialists were ready to accept only 227. A compromise agreement on this problem, as on other issues on the table such as defence policy, wage differentials, capital and wealth taxes, the national minimum wage and the procedure for the election of chairmen of nationalised companies, could probably have been reached if the three parties had not been divided by fundamental political differences.

While the Socialists and Radicals are intent on preserving a mixed economy with an important private sector, the Communists are anxious to move as quickly as possible towards

Home loans rate of 9 1/2% is lowest for four years

BY MICHAEL CASSELL, BUILDING CORRESPONDENT

Table showing Monthly Repayments (Gross) over 25 years for different loan amounts and mortgage rates (10.5%, 9.5%, 8.5%).

Yesterday's decision by the Council of the Building Societies Association comes in the wake of steadily falling interest rates throughout the economy. Pressure on the societies to reflect the trend in their own rates has been growing and culminated last week in a further cut in the Bank of England's minimum lending rate, bringing it down to 8 per cent.

Concorde can fly anywhere in U.S.—under conditions

BY JOHN WYLES

THE CARTER Administration gave an important boost to the longer-term prospects of Concorde today by allowing, subject to certain conditions, the Anglo-French supersonic aircraft to fly anywhere in the U.S. President Jimmy Carter's decision, announced by Mr. Brock Adams, the U.S. Secretary of Transportation, indicated that the 16 Concordes in service or under construction would be exempt from the Federal noise regulations governing supersonic aircraft which will be issued next year.

Rail fares likely to rise by 11-15%

By Ian Hargreaves, Transport Correspondent

BRITISH RAIL fares are likely to go up at the beginning of next year by between 11 and 15 per cent. The final figure has not yet been settled and will depend on an updated forecast of inflation in 1978. It is certain, however, that passengers in London and the South-East will again face increases above the general average.

Exception

The only exception will be in London and the South-East, where deficits are still accumulating and where the Government has refused repeated requests from British Rail for higher subsidies.

White Paper removed the deadline for reducing the subsidy to these services, but this does not change the fact that fares in this area are bound to rise in real terms. Two other key influences on British Rail's pricing policy are being studied with great care.

State industry bank charges under scrutiny

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

BARCLAYS BANK, already the subject of an investigation by the new Price Commission as part of a general inquiry into banking, has been singled out for special scrutiny over the charges made to nationalised industries.

The companies to be investigated are Metal Box, the Electricity Council and its supplier, the Central Electricity Generating Board. The Metal Box inquiry relates to its recent application for a rise of 300 per cent. in the price of its tins, while the electricity investigation has resulted from the recent notification of another increase in the fuel cost adjustment.

The companies chosen for investigation all give a clear pointer to the kind of increase at which the Commission is likely to look most critically. They also show that Mr. Charles Williams, the former merchant banker who heads the Commission, is not deterred from investigating even when it has the Government's tacit approval and that he is concerned about intermediary price increases as well as increases in the shops.

The investigation announced yesterday will concentrate on the reasons behind the increase Barclays intended making in its transmission charges to the Post Office, British Gas Corporation and the Electricity Council.

Table with columns for Money to make music, FT REPORT, and ON OTHER PAGES, listing various news items and their page numbers.

Hounslow Within 3 miles of London Heathrow Airport. Air-conditioned MAJOR OFFICE BUILDING 59,200 sq. ft. Ample car parking on site. TO BE LET. Hillier Parker May & Rowden. 77 GROSVENOR STREET, LONDON W1A 2BT. 01-629 7666



# The week in London and New York

## Poor profits outlook hits equity market

### ONLOOKER

THE disturbing outlook for corporate profits, highlighted by the results from GRN last week, and those from Dunlop and Vickers on Thursday, left its mark on investment confidence and nervous selling was apparent.

The new account kicked off with substantial profit taking and the index finished the day with a fall of 15 points after being nearly 20 points lower at one stage. This sentiment was also noticeable in the gilt market and prices were up to £11 lower, the first setback for some time. Overseas demand did, however, revive the gilt market somewhat on Wednesday but what interest there was in equities was mainly centred on the bid situations.

On Thursday gilts continued to be in demand with American interest particularly strong and gains at the longer end of the market topped £2. In contrast equities were again being sold and the climate was not helped by the poor results from both Dunlop, which finished the day 8p lower at 205p, and Vickers, down 20p at 205p, and the FT Index slid another 14 1/2 points.

By Friday equities looked to be in danger of falling below the 500 barrier but after touching 501.2 there was some recovery and the net fall on the day was only 0.8. But in the absence of any "long top" and American buying, gilts, in strong after hours activity, recorded gains in the region of £2.

The Edinburgh and Dundee share price has risen from 138p to 154p this week while this latest development has again highlighted the possibilities in the trust market for a relatively cheap investment in the U.K. equity market. The sector has been performing relatively well over the past couple of weeks, the discount (price against underlying asset value) has narrowed from 31 per cent to around 25 per cent, but the sector still has a lot of ground to make up before it can claim to be moving with the market.

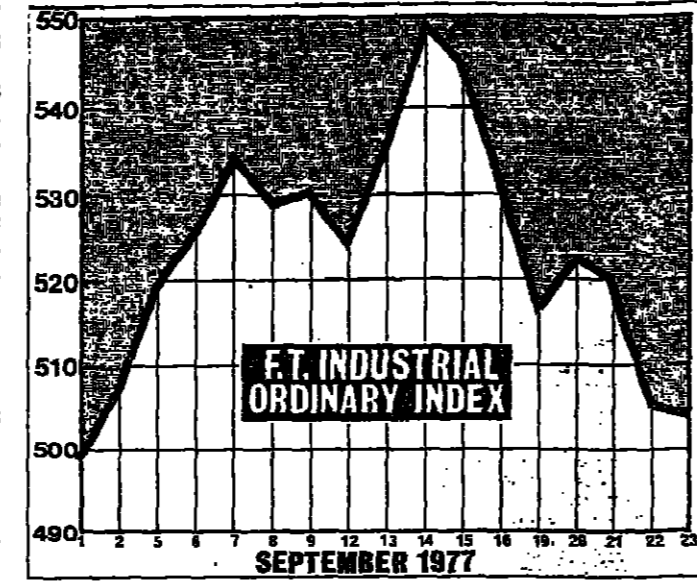
### Trust appeal

The guessing game is in full swing as to who is the party in bid talks with Edinburgh and Dundee Investment. The sheer size of Edinburgh and Dundee with some £90m. of funds under its wing limits the possibilities, but nevertheless there is a wide variety of potential bidders for what could be the biggest take-over the sector has ever seen. Most of the guesses can be pigeon-holed into three main areas: overseas buyers, U.K. institutions or nationalised industry pension funds.

Yet the likelihood of an overseas bidder seems remote. Undoubtedly someone the size of Robeco, the Dutch investment house, could swallow E and D. On the last count Robeco's funds stood at 4,400m. guilders (just over £1,000m.) but the logic of such a bid is all wrong. The purchase of a U.K. investment trust would be an ideal way to get a slice of the U.K. market's action, but if that is the incentive E and D is probably one of

### Wilson views

After six months behind closed doors, ploughing silently through an imposing quantity of written evidence, the Wilson committee studying our financial institutions came out into the limelight this week. The chairman, Sir Harold Wilson, had very little to say at his Press Conference. All that could be culled from him was the impression—so overwhelmingly conveyed in the published evidence—that the demand for industrial finance is more in need of stimulation than the supply of it. Beyond this, he singled out the problems of small companies as an area of investigation that had loomed larger than expected. He said that taxation was an important factor here, but that lack of information about potential



sources of finance seemed to be between the U.S. Fruehauf Corporation and Crane. Simultaneously, the Wilson committee published the transcript of its interrogation of a second suitor along with the Treasury. This gave the first view of ideological differences between the various questioners. Yet a quick reading left very little impression of an acerbic attack by the Left-wing on the City's status quo. The discussion with the Treasury gave far more insight into the Treasury's current thinking on economic matters than into possible shortcomings of the financial institutions.

The story of this committee so far suggests that the original cynics were right. The Wilson committee will have two results: it will provide a means of heading off any political attacks on the City's status quo "until Wilson has reported," and it will provide a massive and definitive account of what the City's institutions thought their jobs were in the middle of 1977.

### Bid activity

The curtains parted on a crowded bid scene this week. On stage were two new potential couples, MK Electric and Ega Holdings, and Costain and Kwikform, a revival of an old affair.

It has reappeared as suitor for Crane following permission from the Commission for the proposed marriage, though it has had to increase the dowry from last autumn's 27p to 61p, but Crane remains an unwilling suitor.

The move is relevant in the Redfearn case. A lightning reaction from the Office of Fair Trading within hours of Rockware's bid announcement, means that both Redfearn and Rockware's offer are to be referred. But this may not frighten Rockware away; it has already acknowledged that the union would control nearly half the glass container market but argues that the merger should be seen in the context of the packaging industry as a whole.

Sector	% change
Insurance (Life)	+19.9
Hire Purchase	+18.6
Discount Houses	+18.1
Invest Trusts	+17.4
Merchant Banks	+15.1
Contracting, Construction	+14.8
All-Share Index	+6.6

Sector	% change
Engineering (Heavy)	+2.5
Oils	+2.4
Chemicals	+2.3
Tobacco	+2.2
Mining	+2.0
Engineering (General)	-0.9

Index	Sept. 23	Sept. 16	Sept. 9
Average	75.46	74.78	72.50
Govt. Secs.	75.46	74.78	72.50
Fixed Interest	75.60	74.12	72.14
Indust. Ord.	513.9	537.2	527.7
Dow Jones	141.5	128.7	119.3
Deals in m.	6,321	7,543	8,461

Index	Ytd Price	Week Change	High 1977	Low 1977
F.T. Ind. Ord. Index	504.7	-27.2	549.2	357.6
Gold Mines Index	149.0	+21.0	149.0	95.1
Treasury 15 1/2pc 1998	£126 1/2	+ 3 1/2	£126 1/2	£103 1/2
Cons. Gold Fields	192	+16	196	133
Crane Fruehauf	62	+ 8	63	24
De Beers Dfd. 6	310	+18	310	188
Dunlop	98	-21	124	78
ERF Hlgs.	140	+32	155	34
Edinburgh & Dundee Inv.	154	+16	155	113
GKN	309	-30	369	277
Hay's Wharf	158	+20	174	55
Hauchin	196	+64	198	67
Kwikform	154	+34	154	78
Lawrence (Wm.)	390	+22.5	490	83
Newarthill	167	+15	180	45
Oil Exploration	302	+28	318	78
RTZ	200	-28	247	173
Scholes (G.H.)	275	+23	275	190
Ultramar	264	+26	264	116
Vickers	204	-31	242	144

### TV Radio

12.05 a.m. News and Weather for Wales.

Scotland—4.35-5.10 p.m. and 5.45-5.50 Scoreboard. 10.05 Sports scene. 10.35-11.05 A Roof Over My Head. 12.05 a.m. News and Weather for Scotland.

Northern Ireland—3.50-4.40 p.m. Sports Horse Trials (highlights). 5.00-5.10 Scoreboard. 5.45-5.50 Northern Ireland News. 12.05 a.m. News and Weather for Northern Ireland.

**BBC 1**

8.55 a.m. "Bod and Breakfast". 9.10 The Great Grape Ape Show and Bailey's Comets. 9.25 Why Don't You...? 10.00 Play Sport. 10.25 Flash Gordon's Trip to Mars. 10.45 "The Big Job" starring Sidney James, Sylvia Sims and Dick Emery. 11.20 p.m. News. 12.30 Grandstand: Football Focus 12.25: Interview with Dave "Boy" Green (1.15). 1.00 International from Scotland (2.05). Racing from Ascot (1.50, 2.30, 3.00, 3.30): The America's Cup (2.40) Yachting: Hang Gliding (3.10). The British Open Hang Gliding Championships. Rugby League (3.30) Bradford Northern v Hull KR. 4.40 Final Score. 5.10 Bugs Bunny. 5.15 The Pink Panther Show. 5.45 Sport: Regional News. 5.50 "Turk". 6.15 Dr. Who. 6.40 Bruce Forsyth and the Generation Game. 7.30 The Duchess of Duke Street. 8.20 The Dick Emery Show. 9.05 Starsky and Hutch. 9.35 News. 10.05 Match of the Day. 11.05 Parkinson with Spike Milligan and Woody Herman and his band. All regions as BBC 1 except at the following times: Wales—8.45-9.10 a.m. Telfant.

**BBC 2**

7.40 a.m. Open University. 8.30 p.m. Saturday Cinema: "The Big Mouth," starring Jerry Lewis. 9.15 Horizon. 9.05 Open Door. 9.25 Macon Whoopie. 9.35 News and Sport. 9.50 The Gun. 8.05 The Lively Arts—In Performance—Princess Incur. by Borodin. 10.05 Film International: "Hotel Pacific". 11.45 News on 2. 11.50 Network. 12.20 a.m. Mid-night Movie: "Undertow" starring Scott Brady.

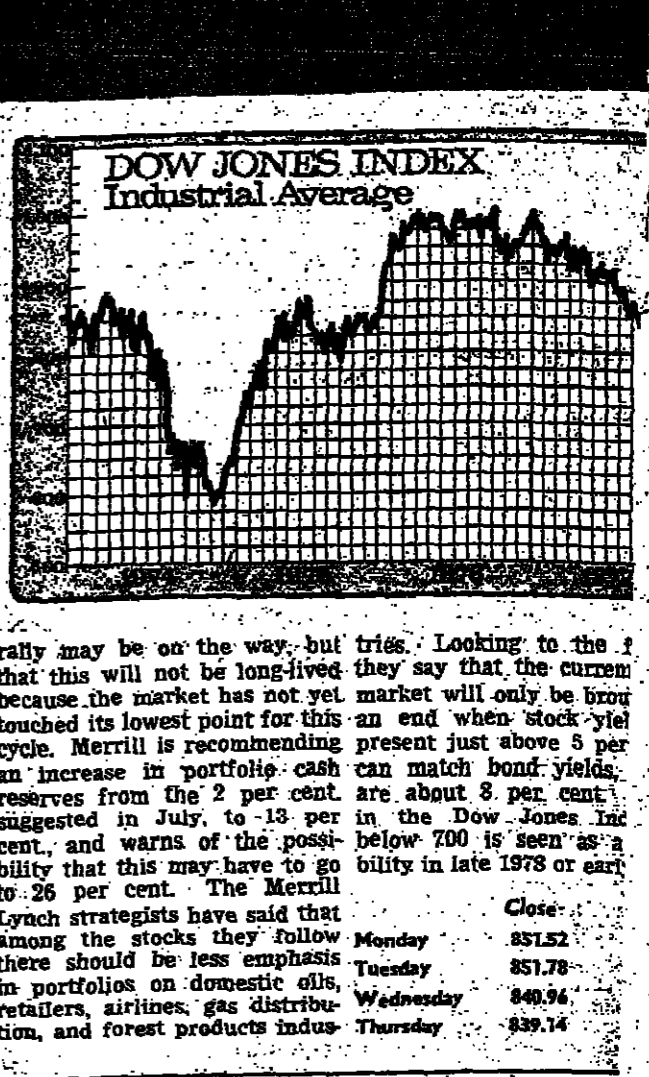
**LONDON**

8.35 a.m. A House for the Future. 9.00 Our Show. 11.20 Space 1999. 12.30 p.m. World of Sport: 12.35 On the Ball. 1.00 International Sports Special (part 1) World Professional Speed Skateboarding Championships from Ohio, U.S.: 1.10 News from ITN. 1.20 The ITV Seven—1.30, 2.00, 2.30 and 3.00 from Arca; 1.45, 2.15 and 2.45 from Redcar; 3.10 International

# Additional worries

NEW YORK Stock Exchange investors acquired a new preoccupation this week according to analysts, to add to their well established fears about money supply, interest rates, inflation and economic growth.

These worries have kept the Dow Jones Industrial Average on a downward path since the middle of July, but the slide was given a new impetus on Wednesday by the Lebanese accusations that Israel had moved troops and armoured vehicles across their common border. Attention to Middle Eastern affairs never waivers in this very Jewish city and this week's new manifestation of tension in the area helped wipe 10.82 points off the index on Wednesday. By that day investors were already looking ahead to Thursday's money supply figures which, when published, confirmed that money supply was continuing to expand and increased anticipation of



# Mining

## The obvious can shock

BY PAUL CHEESERIGHT

THE REFRAIN from Rio Tinto-Zinc has been bitter sweet. It has been bitter because of the rather gloomy prospects predicted for the rest of the year. It has been sweet because of the level of the first-half figures.

These figures were not, it is true, as good as many on the market had expected. Earnings per share at 16.79 fell short of the common expectation of 20p. But at the same time the group is clearly in better shape than a number of other international mining concerns.

For the six months to the end of June the net profit attributable to RTZ shareholders were £42.3m., considerably higher than the £32.5m. in the same period of 1976, but in the light of the group's warning on the second half not high enough to provide a base for the 1977 outcome to top the 1976 total of £81.3m.

The interim dividend this year is 2.50p net, against 1.18p at the same stage last year. RTZ is forecasting a final of not less than 5p, thus making a total distribution for the year of 8.50p, only slightly more than the 8p paid in 1976.

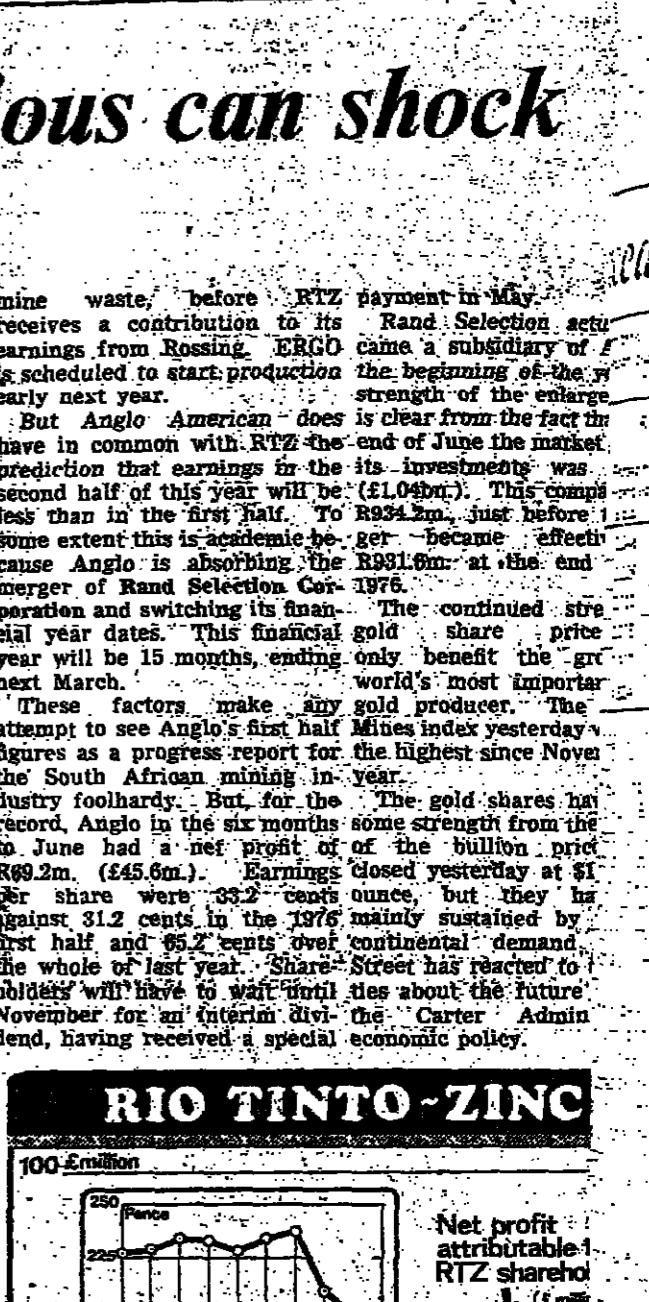
Of course it can be argued that RTZ is becoming less dependent on copper and zinc and more reliant on uranium for income. But this is essentially long-term. In 1976 uranium accounted for 52.2m. of attributable income of £81.3m. It is not likely the proportions will be much changed this year.

There are two reasons. While the Canadian arm of the group, Rio Algom, did in fact boost its uranium income in the first half, this was because of the renegotiation of contracts which led to some one-off receipts. Its expansion programme is not complete.

The second reason is that Rossing in Namibia (South West Africa), in which RTZ has a beneficial interest of just over 46 per cent, is not yet producing a positive cash flow and is not likely to make a significant contribution to earnings at least until 1979.

Although Rossing production is now up to about 75 per cent of its planned capacity of 5,000 tonnes of uranium oxide a year, modifications to its troubled plant will not be in place until next year and work to tap rich underground ore as an auxiliary to the main open-pit mine has been suspended for some 18 months.

At the current rate of progress it looks as if the Anglo American Corporation will start drawing revenue from its ERGO project, which reclaims gold, uranium and acid from



Simple warning

The warning was quite simple. "Unless there is an improvement in demand for most metals and an increase in market prices above the present depressed level, particularly for copper and zinc, earnings for the second half of 1977 will be lower than those of first half of the year."

It was these remarks that shook the share price. Until the middle of the week, RTZ shares had enjoyed the attention which had given the industrial market such buoyancy. They had seemed to shrug off the depressing effects of the Westinghouse Electric uranium cartel litigation.

By Tuesday evening the share price had reached 235p. On Wednesday morning there was a slight hardening to 257p, and then, even before the results were formally announced, they began to slide. The descent accelerated so that by the close yesterday the price was 200p.

While the market has been extremely sensitive recently to company results and indications of the future outlook, the nature of RTZ's warning could not have been unexpected. Now that both official and unofficial economic punditry has abandoned hopes of a dramatic surge in international economic activity this year and become reconciled to slow growth, the warning might indeed have been blindingly obvious.

### SOUTHERN

9.00 a.m. Stationary 9.30 127 Regional Weather Forecast. 9.30 Breakfast. 9.50 News. 10.00 The News. 10.10 The Valley of the Gold starring Mike Henry. 10.20 The Flintstones. 10.30 Gambit. 11.30 Southern News. 11.55 The Prisoner.

### YORKSHIRE

9.00 a.m. The Bolt Harris Show. 9.30 Coronation. 9.40 Elyria. 9.50 News. 10.00 The News. 10.10 The Valley of the Apen. 10.20 The News. 10.30 Coronation. 10.40 The News. 10.50 The News. 11.00 The News. 11.10 The News. 11.20 The News. 11.30 The News. 11.40 The News. 11.50 The News. 12.00 The News.

### TYNE TEES

9.00 a.m. Winding with Willie. 9.30 The News. 10.00 The News. 10.10 The News. 10.20 The News. 10.30 The News. 10.40 The News. 10.50 The News. 11.00 The News. 11.10 The News. 11.20 The News. 11.30 The News. 11.40 The News. 11.50 The News. 12.00 The News.

### ULSTER

10.00 a.m. Hammer Hammer's Advertisements on the Radio. 10.10 The News. 10.20 The News. 10.30 The News. 10.40 The News. 10.50 The News. 11.00 The News. 11.10 The News. 11.20 The News. 11.30 The News. 11.40 The News. 11.50 The News. 12.00 The News.

### WESTWARD

9.25 a.m. Home for the Future. 9.25 News. 9.30 Sports. 9.40 The News. 9.50 The News. 10.00 The News. 10.10 The News. 10.20 The News. 10.30 The News. 10.40 The News. 10.50 The News. 11.00 The News. 11.10 The News. 11.20 The News. 11.30 The News. 11.40 The News. 11.50 The News. 12.00 The News.

### SCOTTISH

9.00 a.m. Home for the Future. 9.25 News. 9.30 Sports. 9.40 The News. 9.50 The News. 10.00 The News. 10.10 The News. 10.20 The News. 10.30 The News. 10.40 The News. 10.50 The News. 11.00 The News. 11.10 The News. 11.20 The News. 11.30 The News. 11.40 The News. 11.50 The News. 12.00 The News.

### TV ratings, week ended September 18

U.K. TOP 20 viewers (m.)

1. Bruce Forsyth, Generations	16.49
2. The News (ITV)	16.43
3. Benny Hill Show (Thames)	16.43
4. The New Avengers (ITV)	16.43
5. The News (BBC)	16.43
6. The News (ITV)	16.43
7. The News (BBC)	16.43
8. The News (ITV)	16.43
9. The News (BBC)	16.43
10. The News (ITV)	16.43
11. The News (BBC)	16.43
12. The News (ITV)	16.43
13. The News (BBC)	16.43
14. The News (ITV)	16.43
15. The News (BBC)	16.43
16. The News (ITV)	16.43
17. The News (BBC)	16.43
18. The News (ITV)	16.43
19. The News (BBC)	16.43
20. The News (ITV)	16.43

### London Broadcasts

6.00 a.m. Morning Music. 6.30 a.m. News. 7.00 a.m. News. 7.30 a.m. News. 8.00 a.m. News. 8.30 a.m. News. 9.00 a.m. News. 9.30 a.m. News. 10.00 a.m. News. 10.30 a.m. News. 11.00 a.m. News. 11.30 a.m. News. 12.00 a.m. News.

### Capital Radio

6.00 a.m. Morning Music. 6.30 a.m. News. 7.00 a.m. News. 7.30 a.m. News. 8.00 a.m. News. 8.30 a.m. News. 9.00 a.m. News. 9.30 a.m. News. 10.00 a.m. News. 10.30 a.m. News. 11.00 a.m. News. 11.30 a.m. News. 12.00 a.m. News.

### BBC Radio London

6.00 a.m. Morning Music. 6.30 a.m. News. 7.00 a.m. News. 7.30 a.m. News. 8.00 a.m. News. 8.30 a.m. News. 9.00 a.m. News. 9.30 a.m. News. 10.00 a.m. News. 10.30 a.m. News. 11.00 a.m. News. 11.30 a.m. News. 12.00 a.m. News.



# Our savings and investments

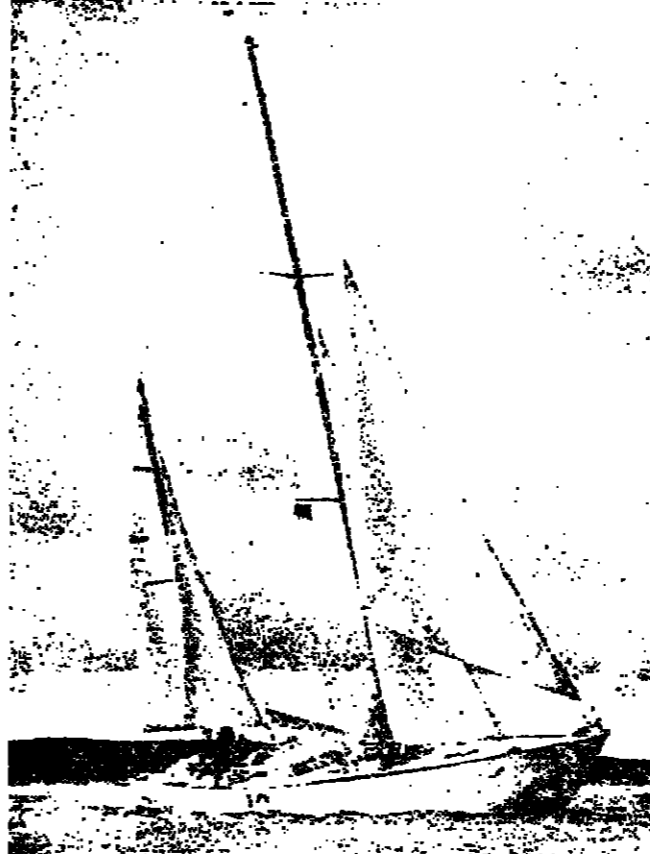
## Tilt at Edinbursts

JENNIE GLEESON

Edinburgh is taking a tilt at the investment industry, and taking their business. Share investment trusts have had a nervous time of it, the share price falling and the discount widening. All that has to be said about an approach has been the fate of Edinburgh, which is obviously of importance to its shareholders. In 1976, they stand to lose a successful fund worth 50 per cent. invested overseas. If, however, the buyer were to prove to be that other favourite candidate, a UK pension fund, then it raises the possibility that almost every other trust in the sector might be open to the same attentions. Edinburgh and Dundee is, after all, one of the biggest. And under those circumstances it is in the region of 30 per cent. For those who are against the sale of the fund, the best against the market will be maintained.

## Funds for the footloose

TIME WAS when a gentleman, setting out to sail the world, would have taken a belt of gold sovereigns with him, for cash upon the way. Time was, some what later, when any bank he cared to enter would have brought him forth roubles, or rupees, or riyals, at the flick of a circular letter of credit. These days are, alas, now gone, killed off by exchange control regulations. So it isn't too easy to advise the gentleman who, proposing to "live on a boat and travel the world," wants to know in which country he should open a bank account "on which the cheques are readily acceptable" in any and every port of call. This gentleman will have nothing to do with the U.K., where, he says, too many controls exist. As a U.K. resident he may, however, be hard put to do without it. Unless he proposes to start again in one of the overseas sterling areas, or he is over 60 or his wife over 60 (in which case they may take out £20,000 between them) he won't be able to take out more than £5,000 of his capital in the first four years—not unless he is prepared to accept penalties like the payment of the dollar premium to do it. However, neither the Bank of England nor the Treasury lays



"Second Life" on the ocean wave

claim to the role of janitor, and it isn't too difficult to obtain travelling expenses well in excess of the £300 per trip nominally allowed—providing they are for bona fide travelling, and documentary evidence of the expenditure incurred is supplied as soon as possible. That still leaves the problem of obtaining cash at ports of call. No one is going to prevent you, on grounds of exchange control, from opening up a bank account in the area in which you are travelling; but they are likely to look very askance if you claim that an account in Zurich is an absolute prerequisite for a voyage to South Africa. And indeed, unless you have moved capital abroad, there isn't really any necessity to open an overseas account at all. You want, instead, to ask your own banks for the branches of their subsidiaries, associates or correspondents, in the areas in which you propose to travel. This local network will, on request, obtain money for you by mail transfer from your own account at home—a process which should take no longer than a day at most. Obviously the same procedure will be useful if you transfer capital abroad for maximum freedom from further exchange control: you should put it in Switzerland—though there is a

## High income hopes

HAVE YOU HEARD the one about the latest trend in portfolio management? These days, so they tell me, people offer to manage, not your shares, but a selection of your unit trust holdings. I'd like to think that the story is apocryphal, but I'm not at all sure that it is. After all, the whole object of buying unit trusts—to obtain a spread of investment without the bother of managing it—has been turned on its head by the development of the specialist fund: the choice of individual shares may have gone, but the choice of sector (generally more important) still remains. It is, however, a state of affairs which seems to appeal to investors, to go by the success of the specialist funds, and in particular of the high income funds. Success, of course, breeds emulation, which is why the Henderson group of unit trust managers is launching a second high income fund, Cabot Extra Income, today. This fund, which is being launched on a starting yield of 10 per cent, is like Schlesinger's Extra Income Trust, to be invested entirely in equities. Some marginal sacrifice of immediate income (or you could get a higher yield by investing in one of the trusts with a preference for the local currency, like the Lawson High Yield Fund), has to be seen in the context of better income growth—or at any rate the prospect of better income growth—hereafter. To judge a fund's popularity by the growth of funds under management is a risky business, so they tell me, people offer to for market movements have a big effect on the size of the portfolio. Nevertheless, if the experience of the high income funds launched recently is anything to go by, Henderson fund managers has a winner on its hands here. Funds in Garmore High Income Trust have risen to £11m. over 2 1/2 years; those in Arbutnot Extra Income to £51m. over two years; Chieftain, when launched itself into the unit trust field a year ago with the High Income Fund, now rocks it is worth almost £4m.; and Schlesinger Extra Income's portfolio has risen to £5m. since April. This is all well and good for the fund managers, but should you follow the herd? Well, with interest rates generally sliding (see the table below for returns on savings—subsequent to the building societies' cut in rates), obviously there is more to be said for a vehicle which not merely offers a high and growing income, but also a secure return (because of the spread). The disadvantage lies in the fact that capital values are not fixed: they are likely to rise while interest rates fall, but it isn't impossible that they'll go the other way. But unless you need to sell out in a hurry, that isn't likely to worry you too much.

## Reduced expectations

Specimen benefit levels from Phoenix Assurance: employed pension plan for a man aged 50, paying a gross annual premium of £1,000.

RETIREMENT AGE	60		65		70	
	Pension provided £ p.a.	Accum. fund £	Pension provided £ p.a.	Accum. fund £	Pension provided £ p.a.	Accum. fund £
60	2,346	32,030	4,805	56,340	9,240	107,240
65	2,229	29,550	4,433	50,320	8,252	96,240
70	2,120	27,290	4,094	45,010	7,382	86,240
75	2,015	25,220	3,783	40,320	6,612	77,240
80	1,917	23,330	3,500	36,190	5,935	69,240
85	1,824	21,600	3,240	32,540	5,337	62,240

are buying a house, assumptions, simply to get busi- day's announcement in mortgage rates is news indeed. But if a self-employed in a pension contract, return is linked to mortgage societies' mortgage your pension expecta- tions have taken a jolt—the reverse. State provides very on provision for the ed, they need to own arrangements, type of contract to them is the build- ing linked contract by certain life com- pany unit-linked life

cept embodied in tracts is extremely e premiums paid by e are put into a fund, e amount is used to buy a The life company that the interest rate accumulation, on a asis, will not be less building societies led mortgage rate. In few companies have er rate and in effect t is equivalent to in- a completely tax-free cty deposit account, these contracts were n 1975 or 1976 when tes were very high ompanies were using ent, in calculating 9 per cent, as providing a ensions. Thus they ng very high figures ntracts proved very when they were Since pension con- usually taken out rs before retirement, point difference in as, can have an effect on the table en, as the table vs. The quotations ave persuaded people of 12 per cent, was, despite all the warn- interest rates can rise le practice of making tions is misleading, your position each year. But, irresponsibility on you may have to push for such life companies and an arrangement, since the brokers. I should recent change in the com- ht that the purpose mission scales introduced by tion was to show the the Life Offices Association and hat pension he could the Associated Scottish Life realistic assumptions, Offices makes annual premium quotations have been contracts much more attractive mpanies and brokers from the broker's viewpoint. ach other, using the stic and unrealistic

ERIC SHORT

Minimum deposit	Notice of withdrawal	% return to basic rate taxpayer
10p	7 days	9.09†
25p	On demand	5†
50p	One month	6.9†
£1	7 days	3
£10,000	One month/one year	51-64
£100	One year	5†
£500	3 years	9†
£1,000	5 years	11
£1,000	3 years	9†
£1,000	10 years	12

† variable; check on application. ‡ return from October 1. § return from November 1. ¶ of interest tax free.

# 9.6% per annum paid quarterly

## ALL EQUITIES

### Why all equities?

Schlesinger's Extra Income Trust is a trustee investment and offers one of the highest returns currently available from a unit trust invested only in ordinary shares. Whilst the managers could obtain a still higher yield by including some fixed interest investments, such investments cannot increase their dividends and also have less potential for capital growth. The all-equity portfolio of the Schlesinger Extra Income Trust, by contrast, maximises the potential for growth of income and capital. Similarly, it is always open to the managers to increase the yield from equities even further, but Schlesingers believe that this yield, which is after taking account of all expenses, is high enough, considering the aim of also producing growth of income and capital.

### A current opportunity

By careful selection of sound stocks including attractive recovery situations and well-researched regional equities, Schlesingers provide a particularly high equity-based yield. However the recent downward trend in interest rates, and the growing relative attraction of ordinary shares with very high yields suggest that such yields may not be available to new investors indefinitely. Indeed many investors have recognised the urgency of securing the current opportunity by placing over £5m in the fund since its launch in April. We therefore recommend immediate investment at the current, high rate of return to gain the potential of capital appreciation. Your investment should be regarded as long term. Remember that the price of units, and the income from them, may go down as well as up.

### Quarterly dividends

The table shows the level of income (net of 34% basic rate tax) you

would expect to receive every 3 months based on the current estimated gross yield of 9.6% on the fixed offer price of 29.6p. Payments are made on March 12, June 12, Sept 12 and Dec 12, starting December 1977 for new investors.

Initial investment	Annual gross income	Quarterly gross income	Your net cheque every 3 months
£5000	£480	£120	£79
£2500	£240	£60	£39
£1000	£96	£24	£15
£500	£48	£12	£7

### and PIMS for larger investors

PIMS stands for Schlesingers' unique Personal Investment Management Service. All investors in the Extra Income Trust will receive with each quarterly income cheque a PIMS investment report, detailing the portfolio and the managers' current strategy. Further, investors of £2500 and over will receive invitations to meetings with the managers.

### A fixed price offer

Units are on offer at the fixed price of 29.6p for investments received by October 5. The offer will close before October 5 if the actual offer price varies by more than 2 1/2% from the fixed price. In this event units will be available at the price then ruling.

**General Information**  
To invest, use the coupon provided. Applications will be acknowledged and we will send you a detailed brochure at the same time. Certificates will be sent out during November. Units will be available after the offer closes at the price quoted in the daily press. The minimum investment in the Fund is £500. The Unit Price and yield are published daily in leading newspapers. To Sell units, simply return your certificate appropriately endorsed on the back—payment is normally made within 7 days of our receiving the renounced certificate. Commission of 1% will be paid to recognised agents. Charges—An initial charge of 5% is included in the Offer price. A charge of an annual rate of 3% (plus VAT) of the value of the Fund is deducted from gross income towards administrative expenses. Trustees: Midland Bank Trust Co. Ltd. Auditors: Peat, Marwick, Mitchell & Co. Managers: Schlesinger Trust Managers Ltd., 19 Hanover Square, London, W.1. Members of the Unit Trust Association, Registered in England No. 935855. This offer is not available to residents of the Republic of Ireland.

To: Schlesinger Trust Managers Ltd.,  
140 South Street, Dorking, Surrey.  
Weekend and Evening Ansaphone Tel. Dorking (0306) 86441

I wish to invest £ \_\_\_\_\_

in the Schlesinger Extra Income Trust (minimum £500) at the fixed price of 29.6p.

I wish to have my dividends reinvested

I would like further information, including details of Share Exchange

A cheque is enclosed in remittance, made payable to Midland Bank Limited.

I declare that I am not resident outside the Scheduled Territories and that I am not acquiring the units as a nominee of any person resident outside the Territories. (If you are unable to make this declaration, it should be deleted and this application form should then be lodged through your U.K. bank, stockbroker or solicitor.) Minors cannot be registered, but accounts designated with their initials will be accepted.

Surname \_\_\_\_\_ (BLOCK LETTERS PLEASE)

First names \_\_\_\_\_ (In full)

Address \_\_\_\_\_

Date \_\_\_\_\_

Signature \_\_\_\_\_  
(In the case of a joint application all must sign.)

# Schlesinger Extra Income Trust



# Finance and the family

## Single premium bonds

BY OUR LEGAL STAFF

I am considering investing in a fund (through a single premium life insurance policy). I am told that if I make withdrawals I shall be accumulating a deferred higher rate tax liability if the bond is cashed, but that this can be avoided by transferring the bond to somebody, such as a grandchild, paying in basic rate tax. Is this so, and will it make any difference if the grandchild's parents have a life interest in the sum transferred?

If a single premium bond is assigned to a trust (for example, a trust for a grandchild, subject to a life interest to his parents), the potential tax liability will not be avoided. (See section 389 (1) of the Income and Corporation Taxes Act 1970, as amended.)

The explanation of single premium bonds as vehicles for tax avoidance is best with professional guidance if this is your primary objective. In particular, we should draw your attention to subsection 3A which was inserted into section 395 of the Taxes Act by the Finance Act 1975.

**Getting rid of a trustee**

Must trustees be unanimous? Is there any way of either removing a trustee or overriding his objections to courses of action agreed by the other trustees?

The trustees do need to arrive at a unanimous decision. If the majority cannot persuade the minority, the proposed action will not bind the minority. If this constantly leads to impasse, consideration may have to be given to the removal of the trustee. Unless the trust deed expressly confers on someone (for example the settlor) a power of removal, the only way

to remove a trustee (if he is unwilling to retire) is by an application to the court.

### Taxation of a bonus

I am paid on PAYE in respect of salary and also of bonus which is based in the previous year's accounts, half last July, the other half being due in December. Is this the correct way for my employer to deal with the matter? Is there any way I can have my bonus taxed in respect of the year it is earned, rather than the year in which it is paid?

You are entitled to be assessed on the "earnings basis," that is to say your bonuses will be related to the period over which they were earned. You simply have to write to your tax

office and tell them that you want to be assessed on the earnings basis.

This will not affect the operation of PAYE, which is governed solely by the dates of actual payment. PAYE is only a method of collecting tax on account, however, and it does not determine the basis on which earnings are ultimately assessed under schedule E.

You do not say what your employer's annual accounting date is. If he makes up his accounts to March 31, then the bonuses paid to you in July and December of the current year will simply be assessed for 1976-77 (unless either you or the tax office insist on taking the first five days of April into account). On the other hand, if he makes up his accounts to December 31, then a quarter of

the bonuses paid in 1977 will be assessed for 1976-77, and your 1976-77 assessment will have to be left open until the total amount of the bonuses due to be paid in 1978 is known.

The inconvenience of the earnings basis in practice sometimes leads tax inspectors to try to dissuade employees from electing for it. If you want it, however, you can insist.

### Permission to sell U.S. shares

I instructed my bank to sell some U.S. equities I bought when living abroad and was told that, though no question of the premium was involved, I still required Bank of England permission. (a) Is this so? I also held some equities in which I have paid the premium. (b) Am I right in supposing that if I sell them, I shall get the premium without any deduction?

(a) You do require specific permission to sell the American

equities. (b) No. You will get the premium less 25 per cent.

### Civil law and trespass

There is a taxi business which makes use of the lane at the back of my house to park cars. This means that the entrance to my garage is frequently obstructed. I have called in the police more than once but though they take action at the time, they do not seem inclined to prosecute the offender and look upon the obstruction as a civil matter. Could I not expect the police to bring proceedings? What do you advise?

We think that it may prove more effective to invoke the civil law than the criminal. If, as your letter implies, the back lane is a highway you should require the local authority, in its capacity as highway authority, to take steps to abate the nuisance caused by the parking. If the lane is a private right of way you would have to take such action yourself, and should first consult a solicitor. If you still prefer to pursue the matter as a criminal one, you cannot force the police to prosecute, but could bring your own private prosecution. The question of whether or not an obstruction has been caused is one of fact.

### Support for a wall

The owner occupier of a ground floor flat has informed the owner occupier of the maisonnette above of his intention to demolish an interior wall. What redress can the upstairs owner demand against the possibility of damages to the wall above? Could he refuse access to his premises to enable the downstairs demolition and possible additional support of his wall to be undertaken?

If the wall in question is a load-bearing wall the owner of the upper maisonnette will be entitled to seek an injunction

restraining removal of support and (if support is removed) to damages if either by grant (that is by express provision in the title deeds) or by the mere fact of 20 years or more of use the upper maisonnette has been supported by the lower one. The upper owner should point out to the lower owner the risk and require an undertaking not to withdraw (or to replace) support. If this is not given a solicitor should be consulted. There is no right for the building owner to enter the upper maisonnette in order to carry out work on the lower maisonnette.

### Law and facts on fixtures

We do not seem able to obtain a clear answer on the following matter, so perhaps you can help us. Having sold our house, when we move can we take with us electric light fittings and shades, now screwed to the wall with one screw or ceiling and mirrors screwed to the walls or the insides of wardrobes?

If your contract of sale does not include fixtures and fittings in the sale you would be entitled to remove the electric light fittings and shades which unscrew in the manner indicated by you (but not electric points or sockets). Similarly you could take mirrors. However, your letter suggests that wardrobes are being left—if these are included in the sale you would not be entitled to remove the mirrors from them. The reason for the hesitant nature of the advice you have had is that it is a question of fact in each case whether an item is a fixture which goes with the house or is not a fixture and may be removed. Legal decisions on this subject are not always easy to reconcile with one another.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

### Building society interest

Can you advise me whether building society interest payable which is offset against my earned income in my notice of coding can also be offset against my investment income, before the investment income surcharge is calculated? I have had an assessment as follows:

Taxed dividends	36
Bldg. soc. int. gross	1,502
Less exempt	1,000
Amount chargeable	538
Tax at add. rate	53.80
Should not be assessed read	
Taxed dividends	36
Bldg. soc. int. gross	1,502
Less	
Bldg. soc. int. paid	411
Exempt	1,000
Amount chargeable	127
Tax at add. rate	12.70

If you have not already done so, you should give notice of appeal against the 1976-77 additional rate tax (investment income surcharge) assessment, on the grounds that a deduction should be made in respect of building society interest paid. Under section 34(2) of the Finance Act 1971, the general rule is that "any deductions allowable in computing a person's total income or to be made from a person's total income shall be treated as reducing income of different descriptions in the order which will result in the greatest reduction of his liability to income tax." Because the tax credit attaching to U.K. dividends is recoverable by U.K. shareholders, but the national tax attributable to U.K. building society interest is not recoverable (by individual investors), it looks as though the most advantageous order of set-off in your particular situation would be to set 36 of the building society mortgage interest

# Insurance

## Defective houses

BY JOHN PHILIP

THE BROAD proposition of our fault-liability laws in this country is that if you sustain injury or damage, due to the fault of someone else you are entitled to compensation: this broad proposition is inevitably an amalgam of a huge number of detailed legal rules, developed over several hundreds of years, which set out how fault shall be determined and compensation shall be assessed, and lay down time limits for the making of compensation claims.

For example, if I run my neighbour down in my car, and there is a dispute over liability or the amount of compensation, or both, he has three years from the date of the accident in which to commence his legal action for damages for his injury. The purpose of this and similar limitation rules is simple—to ensure that the evidence on which the claim must be based is available without the witnesses forgetting what happened and to make certain that finally to disputes between citizens is achieved reasonably quickly. In fixing any time limit the courts and the legislature aim to balance the rights of the parties—the one to get the compensation that is justified, the other to be sure of the extent of the financial burden that stems from his wrongdoing—and both within what objectively is a reasonable time.

In recent years the courts and Parliament have been exercised by the problem of the latent, insidious, injury or industrial disease which becomes manifest only after a long passage of time—for example, pneumoconiosis. Nowadays time begins to run against the potential claimant (and in favour of the wrongdoer) not only when he knows of, or could reasonably have discovered his affliction. This and similar changes in our injury liability limitation laws stem from the changing public view of social justice: and it was inevitable that, sooner or later, cases would come before the courts where it would be argued that logically, in respect of damage to property also that time should run only from the discovery of the defect.

There have been several disputes recently which have been considered in the English appellate courts—the Court of Appeal and the House of Lords: and it seems, particularly in view of *Ans v. Merton Borough Council* that knowledge of damage now is of the essence when considering whether a property compensation claim is as the law says, "Statute barred."

The property problem arises in this way. Take an average private house: maybe the builder is negligent in his choice of use of materials; maybe the surveyors or architects involved in the construction fail in the execution of their professional duties; maybe the local authority's supervisory staff—say its building inspectors—fail to ensure that the various building regulations are properly observed. Despite one or other of these faults, the house is completed, appears to be soundly built and is sold for

occupation: maybe it passes from one owner to another, and then, a decade or more later, faults appear—expensive to rectify—which on full investigation can be attributed to someone involved in the construction. You can argue, probably for the whole week-end, whether the cost of repair of this latent defect should lie where it falls, on the current owner, or should be capable of being set on the shoulders of the wrongdoer. As an owner/occupier you may well favour the latter view, but as a surveyor, architect, builder or local authority employee you may well say that enough time has passed that the fault should not now be actionable.

I am not going to argue strenuously for either view, though I can well see that there are points—and rather more than debating points—on both sides. What I want to do is to show you where a change in the law has its impact, through the insurance that can be bought, through also the taxes that we pay: so that ultimately almost each and everyone pays his few coppers to ensure that a new and at first perhaps small category of claimants get their compensation.

Before the recent appeal decisions, the builder, the professional, the local authority, could rely upon the law that time ran from the commission of the wrong, not from the time of its discovery. And so hitherto the premiums that insurers have charged to provide liability protection have been related to the certainty of that law. Now, it seems, considerable new avenues of compensation claims may be opened up: if so the money to meet those claims will have to come from somewhere and insurers will have to extract extra premiums—not only for events which are occurring now and lying dormant, but for events which have already occurred, the effects of which are waiting to be discovered.

Insofar as professional men and women may have to pay more premiums, eventually their fees to the public will have to be increased: insofar as local authorities may have to subscribe more premiums, eventually the cost will be passed on to the rates we pay.

Insofar as builders incur greater liabilities (and not all of these may be insurable) the cost must be reflected in higher house prices. You may feel that this is a fair price for each one of us to pay, if only because it is not possible for us as owner/occupiers of our homes, to buy insurance against the cost of repairs due to latent defect.

But the story is by no means ended, because the Royal Institute of British Architects has taken up its cudgels and is arguing for the establishment of a positive clearly defined limitation period. And the local authorities are lobbying MPs in the hopes of persuading the government to legislate to prevent councils being swamped with the claims which they fear may now begin to roll in. Meanwhile all of us—and our insurers — can only wait and watch events in Parliament and perhaps in the courts, in the coming months.

### Hot air over Old Man River

SUMMER HAS now drawn to a close on a season which, at least for the riverboat men on the Thames, has left a lot to be desired. One problem, of course, has been the weather, cold and bleak and wet enough to put off all but the most determined pleasure trippers. But if that was all the riverboat men had to worry about, they'd take it philosophically. The two preceding summers were, after all, quite exceptional, at least for the companies with the downstream run. No: what worries them much more than the shrinking number of passengers is the rising level of bureaucracy, and the villain of the piece, in their eyes, is the Greater London Council.

The Greater London Council took over most of the Thames piers from the Port of London Authority in 1974, and since then the charges for using them have risen sharply—to the great dismay of the 17 companies that run pleasure boats on the river.

The deficit at which the piers have been running has nevertheless been magnified several times over—from some £40,000 per annum under the Port of London Authority's regime, to around £250,000 under the Greater London Council. Why? Because, according to the latter, the condition of the five piers (and the Charing Cross piers) acquired for £90,000 in 1974, left a lot to be desired:

## Hot air over Old Man River



at Westminster, for one, the pontoon periodically sinks into the mud at the bottom of the river.

The GLC reckons that a lot of money is needed to bring these five up to a decent standard. According to the riverboat men, though, the work that the GLC has been doing so far is non-essential. So being required to help in funding it is causing a degree of irritation which is none the less for the fact that last year's increases (35 per cent on pier charges, but some rents rose by much more) follow a long period of static charges.

But it isn't just that the arguments in favour of capital spending don't carry much weight when there is little more than the odd new flagpole to show for it: the local authority's refusal, either to let the piers be whole-sale, or to extend the companies' operating leases beyond the six months' trading season, is also causing vast irritation.

The net result is that the riverboat men are flatly refusing to commit any more money to building boats. It is, according to the Secretary of the Thames Passenger Services Federation, the first time in years that there has been no new building on the river. However, it is only five months since the Silver Barracuda came into service, so

that the 60-odd boats on the river now range from the venerable Yarmouth Belle and Nuneham—both built in the 1890s, and both still in operation on the regular passenger services—right up to the latest in fully-heated function boats.

About 50 of the fleet are still engaged in the regular passenger services, though some will knock off in the winter. What is significant, though, is that all the new boats are function boats. In place of the potentially unprofitable regular services on which the GLC insists in all the daylight hours all through the year (to the Tower and Greenwich, at any rate: the long, slow haul up river to Hampton September and May), the function boats go out with a full load only: they go out with a bar aboard, on which the operating company stands to make perhaps as much as on the straight sale of the tickets: and they are catering to a growth market.

The decision to hold a party on the river or even—an innovation, this—to take a weekend lunch aboard, is not subject to the vagaries of the weather, and it doesn't leave the companies dependent on the ebb and flow of tourist traffic. Inevitably it's easier to raise the money to build such a vessel: it is possible to come up with a realistic cash flow forecast.

And since very few of the riverboat operators have interests other than their boats to see them through the lean years, bank managers do take some persuading.

But the implications aren't too good for the sight-seeing crowds for whom a spur of the moment trip on the river is part of the London experience. Whatever the GLC does to the piers along the river, it looks as though the services of which they avail themselves are going to deteriorate. And that will happen all the faster if companies pull out. Even though the memory of two remarkable and lucrative summers has scarcely been dimmed by this year's poor experience, at least one company is planning to do just that at the end of the season. Its owner reckons that the game just isn't worth the candle. For however good the life looks, on a hot day on the river, there are much easier ways of making money.

ADRIENNE GLEESON

### The perils of working abroad

THERE ARE many pitfalls in the tax legislation, but probably none more inequitable and inelegant than that relating to "incidental duties."

To understand what is involved, one needs first to know something about the tax mitigations which can be derived from working abroad. It is those advantages which are at risk of being lost, in whole or in part, if the trap is sprung.

An individual resident in the U.K. sheds that tax status if he leaves to work full time abroad, it being clear at the time he leaves that he is going for "a definite lengthy period." The meaning of this phrase has been exemplified by the Revenue as an Army officer going on a normal tour of foreign service, or a civilian on a business contract, requiring his residence abroad for not less than three years, either of these preventing the individuals from returning during the period except on holiday.

In fact, the Revenue will grant non-resident status once they can see that the over-

employment necessitates an absence which includes a complete fiscal year. The only real question is whether they accept in advance that such a period is starting and confirm non-residence immediately, or whether they delay until the necessary period has been established and then grant non-resident status retrospectively from the date of departure.

One can perhaps rationalise the Revenue's attitude by saying that an individual who has been resident here needs to demonstrate a clean and complete break, albeit not necessarily a permanent one, if he is to cease to be resident. Taking up full time employment abroad is such a break. Returning from that employment only for holidays does not change that picture. A holiday after all is meant itself to be a complete break from one's current activities: it does not call into question the original break from this country.

Visits back here for purposes other than holidays are something different. They do not fit so easily into the Revenue's rationalisation above. The Revenue themselves would point out that Parliament did not intend such visits to be so lightly disregarded, and that the parliamentary draftsman has not ignored them.

We have been looking at the guidelines for establishing non-residence when going abroad to

work. The reverse of that same coin is avoiding re-establishing residence by visits to this country. The normal rules are relatively well known: (a) visiting the U.K. for more than six months in a fiscal year; (b) U.K. and come back from your overseas job for a holiday you are all right. If while you are on holiday, you call in at your employer's U.K. offices to deliver some papers, you are still in the clear.

However, if you are called into that office for consultations, the Revenue will almost certainly contend that these are more than incidental. If you take the opportunity of your visit to the U.K. to talk to customers, or to interview potential recruits, the contention will again be that what you are doing is more than incidental. The airline pilot, whose occasional landings in the U.K. were said to be more than incidental to his overseas flights, lost his case in the High Court when he fought the Revenue's ruling. Passing the foreign service exams, which can be sat only in the U.K., has been said to be an essential not incidental part of a budding diplomat's duties. Would it have helped him if he had failed?

Failure to establish non-residence is a painful consequence of falling into this trap. Until April 5, 1977 it was only a part of the total disaster,

For the years 1974-75 to 1976-77 the exporters' reliefs operated in the form originally enacted in 1974. Earnings were 100 per cent, tax free if the duties were performed overseas for a continuous period of 365 days (subject to an allowance of limited visits back to the U.K.). Similarly, a 25 per cent exemption was available for the shorter overseas trips. What the 1974 reliefs were only available if Section 184 of the Taxes Act operated; the latter's phraseology is identical to that already quoted—all the duties must be performed abroad, failing to do so disqualify if they are incidental.

The shape of the second trap is also plain. Failure means that you not only remain resident, but you also fail to qualify for either of the original exporters' reliefs. Although widely misunderstood at the time, it was always the overriding reason for setting up separate contracts for overseas duties.

The 1977 Finance Act has removed this particular nonsense from the new-form exporters' reliefs. They are now based on periods of absence coupled with duties performed wholly or partly outside the U.K. But the watchdog for aspiring non-residents is still "take care."

DAVID WAINMAN

**GIBRALTAR**  
See the main advert on Page 10  
Marshall, Sutton  
(Yorkshire) Ltd.

**Drayton Montagu**

**Drayton Montagu Portfolio Management Limited**  
(DMPM)

offers international management services for the cash and investment portfolios of Pension Funds, Companies, Charities and Other Institutions

DMPM also acts as investment managers to the successful range of Midland Drayton Unit Trusts

For a copy of our booklet 'An Investment Management Service' please complete and return the coupon below or write direct to:

Drayton Montagu Portfolio Management Limited,  
117 Old Broad Street, London EC2N 1AL.

NAME \_\_\_\_\_ COMPANY \_\_\_\_\_  
ADDRESS \_\_\_\_\_

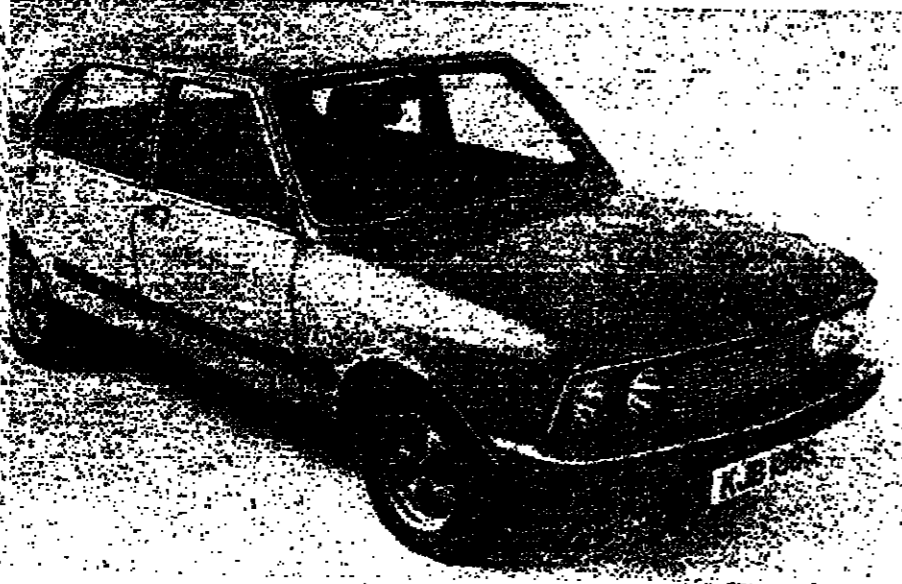
Investment Division of Samuel Montagu & Co. Limited (Incorporating Drayton)

Handwritten signature or mark at the bottom center of the page.



Defective Motoring

Motoring



business motorists want a medium-sized Granada or Rover 3500. Many are looking for a smaller quality vehicle like the Rover 2000 which the big Rover suggests they take a close look at 22 2-litre before making the buying decision. This car was one of the nicest

FIRST TIME since won't be an Inter-Show in London but if Motorfair, an annual event, is as good as it is, no one is really going to be a hit. Booked twice the tickets they used to be for a Motor Show for packages and or train are port from all parts of industry has

The show goes on

BY STUART MARSHALL

gear lever knobs or nick fog-lamps while no one is looking. The "Daily Express" have drawn heavily on Boat Show expertise in planning Motorfair. Earls Court's concrete caverns will be turned into a remarkably realistic replica of Monte Carlo, with a proper road starting where the Boat Show has its harbour and ending somewhere near the gallery. What Motorfair won't have is hundreds of stands filled with forgings, rough-cast crankshafts and all the million-and-one bits that go to make up a motor car. Meal and drink they may be to a motor manufacturer, but they are less than riveting to the average motorist. Putting the cars themselves and the things they are made from under the same roof always was one of the essential contradictions of the old Motor Show.

higher, that the public might be demanding an annual Motorfair by 1979. In that case, it would cream off all the motorist's (as distinct from the motor industry's) interest from the SMMT's Motor Show, which would become a bi-annual automotive equivalent of the old British Industries Fair. And that, as I recall, was an event at which the general public were barely tolerated, and certainly not expected to pay for with their admission tickets.

Then, to develop the scenario further, might not the SMMT, which already runs separate trade-only exhibitions for accessory and garage equipment manufacturers, wish to associate itself with the upstart Motorfair? It would seem a sensible way of getting back into the London Motor Show act. It is an interesting hypothesis. What is certain is that, after Motorfair, the SMMT cannot hope to stir the public's imagination with a show like the last one at Earls Court, even if it is held among the lakes and wide open spaces of the National Exhibition Centre. Motorfair, from October 19-30, is to be opened by Princess Margaret and admission will cost £1.20 (50p for children) except on the Wednesday, when it will be £3 (children £1.50). There will be a limited number of £5 public admission tickets for Press preview day, the 18th. This, I suppose, recognises that the SMMT found it impossible to restrict admission to journalists on Press day. Motorfair organisers have decided that if there are going to be gate-crashers, they might as well pay through the nose.

Golf

Faldo's bright future

BY BEN WRIGHT, Waterloo, September 23

NICK FALDO, the recent British Ryder Cup hero, missed a putt of no more than 15 inches here on the last green at Royal Waterloo Golf Club this evening to spoil an otherwise wonderful finish and throw away an outright lead after the first round of the 54-holes Laurent Perrier tournament. Young Faldo was 15 feet away from an eagle three at the 490-yard 18th, but after missing his first putt he suffered a rare lapse in concentration and paid a severe price before adjourning to the practice tee. As it is, he is tied for the lead on 69, four under par, with the lanky Italian, Baldo Dassu, with the defending champion, Spain's Sevy Ballesteros, one stroke behind on 70.

On 71 come the main American challengers, Hale Irwin and the increasingly round Billy Casper, who are alongside the Mexican Ernesto Perez Acosta and the Belgian, Philippe Toussaint, at that figure. A long way back on 76 is the last-minute substitute from Seattle, Bill Sander, who is having an unfortunate start to his professional career. In his debut, he was struck by Montezuma's revenge after the first round of the Colombian Open two weeks ago, and was forced to retire. This pleasant parland course — only 16 years old — undulates much like the famous battlefield situated some four kilometres away: The crucial part of it starts at the 11th hole, and the last eight meander through the forest. There are three par fives to finish, but they are very much par fours in the class of player, since all of them measure less than 500 yards. So, like Westworth, which this second half closely resembles, there is a false par of 73 which was at the golfers' mercy today in the pale autumn sunlight and gentle, thankfully cooling breeze. Faldo was not quite at his best, and in fact Dassu, playing

disaster. After a good drive to the last, he reached the green with a four iron, but then took those three miserable putts from nowhere. Casper had the best chance of all, having reached the turn in 32, but he took 38 to come home to drop out of the picture. And Ballesteros finished similarly weakly with two par fours at holes that are easy par fives for such a long hitter as himself.

Now that Tony Jacklin has once again apparently decided from qualifying in the U.S. in January and February at Phoenix, San Diego and in Hawaii. The grapevine informs me that Faldo is also well nigh certain to play in Bing Crosby's prestigious program the week after the Phoenix Open as a reward for winning Golf World (U.K.) magazine's award for the most improved young British golfer of the year.

As my good friend Hale Irwin said here earlier in the week: "Nick has so much to learn about both life and golf, but he has enormous potential. I just hope early success will not affect him where he faces the Spanish in the same way as it did poor wonder boy, Sevy Ballesteros, Jacklin." We shall see.

Gardening

Exotic alternatives

AS MORE OF our native trees become afflicted by diseases which seem to increase in virulence there is good reason to look more closely at exotic trees to see whether some might start with a clean sheet and maybe remain immune for many generations. For example, I have not yet seen or heard of any disease attacking the Dawn Redwood, Metasequoia diopterocarpoides, which, in addition to being one of the most beautiful deciduous conifers, closely resembling the Swamp Cypress in growth, is also very fast growing. It can be raised readily from cuttings and thrives in most soils that are not peaty or very dry. Each year it can easily add a metre to its height yet it is not wide spreading and can be accommodated in reasonable space. No wonder it is being planted on an ever increasing scale though still, I think, mainly by experts. It has yet to make its name with the public at large.

But the Dawn Redwood is a single species; a unique tree from a far distant era which was believed to be extinct until it was discovered growing quite happily in a remote Chinese valley rather more than 30 years ago. By contrast the Southern Beeches are a numerous family fairly well explored by botanists though only just beginning to be discovered by gardeners. They are the Southern Hemisphere counterparts of our own beeches and are distinguished by the generic name *Nothofagus*, which means "false beech".

There are said to be nearly 40 distinct species of *Nothofagus* such as *Nothofagus menziesii* and *Nothofagus antarctica*, and for two of these, *Nothofagus antarctica* and *Nothofagus procera*, it is still necessary to go to specialist nurseries, such as Hillier's of Winchester, for trees. The third, *Nothofagus obliqua*, has taken such a liking to Britain that in some places it is spreading quite fast by self sown seedlings and so one may hope will soon be fairly widely available. A lot depends on public demand, for though nurserymen continually complain that writers encourage people to ask for plants they have not got they are usually quick to take advantage of the publicity if it really results in a sustained demand.

South America where they have a wide distribution with a major concentration in Chile. They can be found in different latitudes and at varying altitudes and if they are to be widely planted in Britain it would seem wise to seek out seed from the most favourable localities. These may not necessarily be the coldest for day length as well as temperature can be important in determining the success and rate of growth of plants. And both *Nothofagus* and *Nothofagus* can be fast, adding more than a metre to their height each year in favourable conditions. *Nothofagus procera*, the native name for which is Raoul, is probably the best kind for forest and park plantings as it becomes available for it is exceptionally handsome. Like *Nothofagus* it is deciduous but it has larger leaves, much like those of a hornbeam, and it makes a fine, clean trunk carrying an elegant head of branches. It appears to be an excellent timber tree with wood similar to that of our native beech. Its limitations are a need for plenty of moisture and a dislike of lime which it shares with most other species of Southern Beech.

*Nothofagus obliqua*, the Roble Beech, will succeed in drier conditions and for that reason is probably a better tree for the more beautiful tree. Both come from Chile and other parts of South America and it could well be that there are even better forms waiting to be collected. There are also Southern Beeches from New Zealand including *Nothofagus* with very small, almost cotoneaster-like leaves and *Nothofagus* with larger, indented leaves. Both are evergreen but not a great deal about their hardiness in Britain. Most of the good specimens are in the southern countries though there is a fifty year old tree of *Nothofagus* in the Edinburgh Botanic Garden and also a younger tree of *Nothofagus* which is around 40 feet high. It could well be that there are two evergreen broad leaved trees to add to the small number suitable for planting in many parts of the country.

Also at Edinburgh and at a new arboretum which is being planned by Dundee University is a deciduous Southern Beech which does not appear in any of the reference books I have. It is named *Nothofagus alpina* and seems to be much like *Nothofagus* and very fast growing. It came from Chile and looks like a good find even if, when the botanist has had a time to examine it more closely, they decide that it is no more than a geographical form of *Nothofagus procera*.

ARTHUR HELLYER

Chess

Excellent results from young internationals in an overhauled event in the first half of 1977. Tony Miles's Lanzarote, Amsterdam, and several good at the Lloyds Bank Chess Congress, there British success last Lord John Cup, aged 24, Jonathan and John Nunn, 22, passed the grand of 51 out of 9 nation event sponsored by the men's association the Rybeck Hotel in

without a master tournament in Hungary or Yugoslavia, whereas the Lord John Cup was only the third major international in London in a decade. The new £10,000 programme of Lloyds Bank sponsorship, coupled with the momentum from this summer's successes, are two hopeful factors; but international chess events are rarely self-financing and rely on the support of industry and public donations. The Friends of Chess have contributed to much of this year's international programme, including the Lloyds Bank invitation.

Chess problem: POSITION NO. 182. Diagram showing a chessboard with pieces and a solution key: 1. Kx3, 2. P-Q4, 3. N-Q3, 4. N-N3, 5. N-Q2, 6. N-N3, 7. P-KN3, 8. B-N2, 9. P-B3, 10. Q-N3, 11. N-Q2, 12. P-Q, 13. Q-Q, 14. R-K1, 15. P-Q4, 16. N-N3, 17. N-B3, 18. B-Q2, 19. P-Q4, 20. N-K4, 21. B-B2, 22. B-K3, 23. P-N3, 24. B-N5, 25. B-Q1, 26. BxN, 27. KR-QB1, 28. B-B3, 29. N-K2, 30. P-N5, 31. R-R3, 32. RxB, 33. K-E1, 34. RxB, 35. R-R7, 36. RxB, 37. B-B3, 38. R-R6, 39. K-N2. Black lost on time.

the Lord John Cup, the England student team's bronze medals at the World Championship in Mexico, and the national men's and women's teams' bronze and silver medals at the Halifax Olympiad. One pleasing feature of the Lord John Cup was how our youthful would-be grandmasters controlled their instinct to play tactically and beat strong opponents without allowing counter-chances; here is Mestel's victory against the veteran Russian, Kotov, winner of the 1952 international and among the all-time chess greats.

Chess problem: PROBLEM NO. 182. Diagram showing a chessboard with pieces and a solution key: 1. P-K4, 2. P-Q4, 3. N-Q3, 4. N-N3, 5. N-Q2, 6. N-N3, 7. P-KN3, 8. B-N2, 9. P-B3, 10. Q-N3, 11. N-Q2, 12. P-Q, 13. Q-Q, 14. R-K1, 15. P-Q4, 16. N-N3, 17. N-B3, 18. B-Q2, 19. P-Q4, 20. N-K4, 21. B-B2, 22. B-K3, 23. P-N3, 24. B-N5, 25. B-Q1, 26. BxN, 27. KR-QB1, 28. B-B3, 29. N-K2, 30. P-N5, 31. R-R3, 32. RxB, 33. K-E1, 34. RxB, 35. R-R7, 36. RxB, 37. B-B3, 38. R-R6, 39. K-N2. Black lost on time.

Bridge

S, which I played the two of my women partners, there not the meaningless "Well, I covered with the ace, so I pass out. Let me hasten at neither hand brilliant play, and help from the essential. I look at this non-

which I in the South seat replied with one spade. When North rebid two clubs, I somewhat optimistically said three hearts, and went to four hearts over partner's three no trumps.

When dummy went down, I regretted my aggressive bidding, and was prepared to apologise if disaster struck. West led the diamond two, not a great choice either—and East ducked when dummy's ten was played. Leading the spade from the table, I cashed Ace and King, led a third spade, and ruffed with the two of hearts. The cruel 5-2 break was revealed when East over-ruffed and returned the eight of trumps. I covered with the nine, and there was a gleam of hope when this held. East, it seemed, had Ace and Queen of hearts left, but it was clearly impossible to execute a trump coup. I led the seven of diamonds, East returned his last diamond to the Queen, on which I threw a spade from hand. When King, East with the diamond King. East rather surprisingly West led the diamond King. I ruffed and

led the five of clubs, West ducked, which was a mistake, and East won with the King. I ruffed the diamond Knave which came next, and led the seven of clubs, discarding dummy's low heart, as West again played small. East won with the Ace, and forced me again with a diamond—which was just what I wanted—and I ruffed a club on the table. I now led dummy's nine of diamonds, which I ruffed in hand, and another club was ruffed with the nine of spades.

At this stage I had taken six of the eight tricks played, so I led the diamond Queen from the table for an en passant coup, and East ruffed low. This was the final error of the defence, and this time a fatal one. I overrudded with my Knave—my last trump—and returned a heart to the Knave and Queen. East was now employed. He could cash his heart Ace, but then he had to lead into the trump tenace. He should, of course, have ruffed the diamond Queen with his King, and a trump return would have put me down. E.P.C. COTTER

£2,500 or more to invest? National Westminster have something special to offer you. Your problem: With the prospects for the UK economy and for home-based companies improving, shares now appear a more attractive investment than for some years. Our solution: The Portfolio Investment Fund aims to provide overall growth of both capital and income by investing in a range of high class ordinary shares principally in the UK. What to do next: You can apply for units in the Portfolio Investment Fund simply by completing the application form below and returning it to the address shown, or taking it to any branch of National Westminster. Charges are low: the initial management charge which is allowed for in the buying price is only 2%.



BUSINESSES FOR SALE

FOR SALE AS A GOING CONCERN COTTON/KNITWEAR MANUFACTURER TURNOVER £3m. appr6x

FACTORY & BUSINESS at TOTENHAM FOR SALE as a GOING CONCERN

Established BUILDERS' MERCHANTS specialising in sanitaryware, plumbing supplies and kitchen fittings.

NEWARK NOTTS. For Sale, freehold industrial premises and Engineering and Electrical contracting business.

Bahamas Company Non-resident, founded in 1970. All transactions possible. For sale at fair prices.

PHOTOGRAPHIC RETAIL An established, expanding and profitable photographic retail business in excellent position in busy Croydon, Surrey.

Readers' Protection Scheme MAIL ORDER ADVERTISING

With effect from 1st April, 1975, National newspapers have set up a Central Fund to refund money sent to readers in response to mail order advertisements.

(a) Mail Order Advertising is defined as direct response advertisements, display on postal bargains, where cash has to be sent in advance of goods being received.

Property Sylvan Surrey settings

BY JUNE FIELD

THE ATTRACTIONS of Surrey, with its pleasing countryside and accessibility to London, have long been recognised.

Some three or four miles out of town, (An hour's ride will bring you down) ... And then so snug, so mighty pretty, To have an house so near the city!

The architectural qualities of Mr. Lloyd's "choice abode not half a furlong from the road," have varied over the years.

Now with houses on most estates built to a fairly basic pattern, with maybe only half a dozen very slight variations in design—"rustic seclusion in peaceful sylvan settings" is the latest promotional gambit for top-of-the-market homes.

It is a policy that is paying off in sales, both for new and more mature dwellings. "Upper-market country homes in the Woking, Weybridge, West Byfleet triangle are now more in demand than they have been since the end of the 1972-73 boom," claims Mr. J. M. Agace.

In this corner of the Surrey stockbroker belt...

Mann's report considerable interest in The Hoyte, Woodham Lane, Woodham, near Weybridge, which is for sale at £85,000 through their office at 49 Old Woking Road, West Byfleet.

At Redcourt, Forest Road, Pyrford, near Woking, Clarkes are building 14 luxury Georgian detached homes, in the £15,000 bracket.

This house, particularly, is in an enchanting situation, because it is completely secluded from its neighbour by tall trees. Built of reclaimed stock bricks, the exterior of the house has a pleasingly warm almost textured appearance.

There are four bedrooms with good deep cupboards in each, and two bathrooms, both full size baths, but no bidet. "We used to offer one, but found there was no demand," explained the sales director.

resistance to having a shower-room instead of a full-scale bathroom.

Clark and Sons (Homes) Ltd., are engaged in building programmes in various parts of Surrey and Hampshire, their principal localities Weybridge, Walton, Chert, Chiddingfold, Milford, Borden and Woking as well as Pyrford.



Detached neo-Georgian house one of 14 being built in the Surrey countryside by Clark & Sons (Homes).

Detached houses built by Prowling Estates among the trees at Selsdon Ridge, Old Farleigh Road, Selsdon, about four miles from Croydon, Surrey

buying the whole thing as a package, and not having to cope with curtain and carpet installation, getting wall units fitted, and generally having to be on hand to cope with the frustrations of delivery and so on.



Detached neo-Georgian house one of 14 being built in the Surrey countryside by Clark & Sons (Homes).



Detached houses built by Prowling Estates among the trees at Selsdon Ridge, Old Farleigh Road, Selsdon, about four miles from Croydon, Surrey

ple for £53,000 down to the Elizabeth I. The 14-acre Selsdon Ridge site slopes gently by the National Trust Bird Sanctuary and Kings Wood, where the roller blind in one of the bedrooms was over £65, and most of the fitted carpets—predominantly wool Wilton—are £12 a square yard.

For a brochure on what actual fittings are included in the basic prices of the houses, which vary from £30,950 to around £46,000, write to John O'Sullivan, marketing manager, Prowling, Bury Street, Guildford, Surrey, GU1 1AA, or contact Mrs. P. Middlesox, or contact Mrs. P. Middlesox, or contact Mrs. P. Middlesox, or contact Mrs. P. Middlesox.

The setting of the Prowling complex is certainly impressive, just below the unspoilt acres of Farleigh Common, near the handsome neo-Georgian Selsdon Park Hotel with its 18-hole golf course, well tucked away from the main road, the 5-bed, 2 bathroom showhouse is ready to walk into, and can be bought com-

Elizabeth I. The 14-acre Selsdon Ridge site slopes gently by the National Trust Bird Sanctuary and Kings Wood, where the roller blind in one of the bedrooms was over £65, and most of the fitted carpets—predominantly wool Wilton—are £12 a square yard.

The houses, with tiled or white-ship-b which helps to soften rather austere lines, are large plots, with extra space at the back if you quite unusual on an estate house, stands on nearly a full-size tennis court, with other already has a large swimming-pool installed. The seven types of house do choose from three in a split-level open-plan, which provides an interesting variety in the layout. One of the developer has even organised a "granny flat" at the house. As well as the to have an extra study room the company chairman, Prowling, has appreciated the "hidden members of the family" to get away from it a

PROPERTY OVERSEAS PROPERTY LONDON AND COUNTRY PROPERTY ESTATES AND FARMS LAND FOR SALE INVESTMENTS

Cluttons SHROPSHIRE A VALUABLE INVESTMENT FARM comprising Attractive Period Farmhouse 2 Modern Cottages Excellent Range of Modern and Traditional Dairy Buildings

South/West Wales (CARMARTHEN 10 MILES) (SWANSEA 25 MILES) IMPOSING COUNTRY RESIDENCE WITH MAGNIFICENT VIEWS

Gramplan Region Banff and Buchan District LUMBS FARM, LONMAY First Class Arable and Stock-Rearing Farm—158 acres (153 acres arable)

ST. GEORGE'S HILL, WEYBRIDGE, SURREY Offers in excess of £400,000 Freehold

ST. GEORGE'S HILL, WEYBRIDGE, SURREY A unique architect created residence boasting an interior design believed to have cost in excess of £100,000

Country House Department 7/9 Baker Street, Weybridge, Surrey tel: Weybridge 41421/2

SUPERIOR LONDON RESIDENCES FOR SALE REGENTS PARK/HARLEY STREET, W.1 Dignified low-built house. 8 beds. 2 bath plus shower room.

OXFORDSHIRE/BUCKINGHAMSHIRE BORDER Aylesbury 16 miles, Oxford 9 miles, Thame 6 miles AN ATTRACTIVE & PRODUCTIVE ARABLE FARM OF 223 ACRES

COTES D'AZUR (Cannes 8 Kilometres) THEOULE Well positioned residence commanding superb views of Mediterranean, 6 bedrooms, 3 bathrooms, reception, etc.

COOMBE PARK, KINGSTON HILL, SURREY A luxurious appointed family home with the added benefits of self-contained quarters.

REIGATE, SURREY A handsome period house with original details from 1650 set in its own grounds, extending to 6 acres.

Normands In you to test it the new range of Mercedes See and test drive the new range of Mercedes at Normand (Mayfair) . . . discover the way car should be built.

MARBELLA (Malaga) LUXURIOUS VILLA (Fully Furnished) HEART OF THE SPANISH COSTA DEL SOL FOR SALE BY PRIVATE TREATY

Luxury Riverside Development (close National Theatre) UNREPEATABLE VALUE AT TODAY'S BUILDING COSTS

RESIDENTIAL PROPERTY APPEARS EVERY SATURDAY Rate £7 per single column centimetre

WEST BYFLEET, SURREY An outstanding character residence set in secluded grounds of 11 acres with added benefit of a self-contained annex.

BURNWOOD PARK, WALTON-ON-TAMER, SURREY A beautiful family home boasting many superb features and the finest views of 11 acres.

HOME AND GARDEN Acting S.A. for the sale of houses and flats in the London area. FREE Valuation. Tel: 01-622 5851

PRINCIPALITY OF MONACO FOR SALE "SUN TOWER" Building Beautiful flat — tastefully decorated 4 main rooms — 3 bathrooms

ISLE OF MAN Many advantages especially for retiring overseas residents FINE COUNTRY HOUSE WITH SUPERB VIEWS

WEST BYFLEET, SURREY An outstanding character residence set in secluded grounds of 11 acres with added benefit of a self-contained annex.

WEST BYFLEET, SURREY An outstanding character residence set in secluded grounds of 11 acres with added benefit of a self-contained annex.

WEST BYFLEET, SURREY An outstanding character residence set in secluded grounds of 11 acres with added benefit of a self-contained annex.

PERSONAL Photo-financing specialist. Personal loans, overdrafts, credit cards, etc. Tel: 01-622 5851



# How to spend it

مكنا من الأهل

By Lucia van der

## A cut above the rest

married, in the late started thinking about wedding-lists, austere, Scandinavian-type as all the rage. I tried to like it, one eminent people beautiful it was, there was something wrong (I didn't) but no didn't make my heart thought of owning it, useful, functional, cheap, but beautiful? Desirable? No, it was no.

My own problems with silverware—ones passed on enough old silver to be best—and for every ought French history in the Prussian in still doing fantastic though, after all this it's sure of what I nk they were some- £100 for a knife, fork.

link that for everyday bistro-style is a good between sturdiness it isn't as simple as stainless steel I think it's more shops seem to me to of the nicest cutlery per end of the market

—their Café Noir, Brasserie and Bodega are all very attractive and you could buy a six-piece place setting in any of those ranges for somewhere between £5 and £6.

Almost all the designers and manufacturers of cutlery report that there is now a distinct trend back towards a richer, more traditional look and observing the current fondness for soft floral prints and gentle, old-fashioned interiors, it makes sense. The great stainless steel era of the late 50s lasted a long time but the bottom dropped out of the market some years ago and those manufacturers who are working in silver plate are now doing remarkably well. Indeed, one, Gee and Holmes, tells me it is doing so well it sells all it can make and could sell more with bigger capacity.

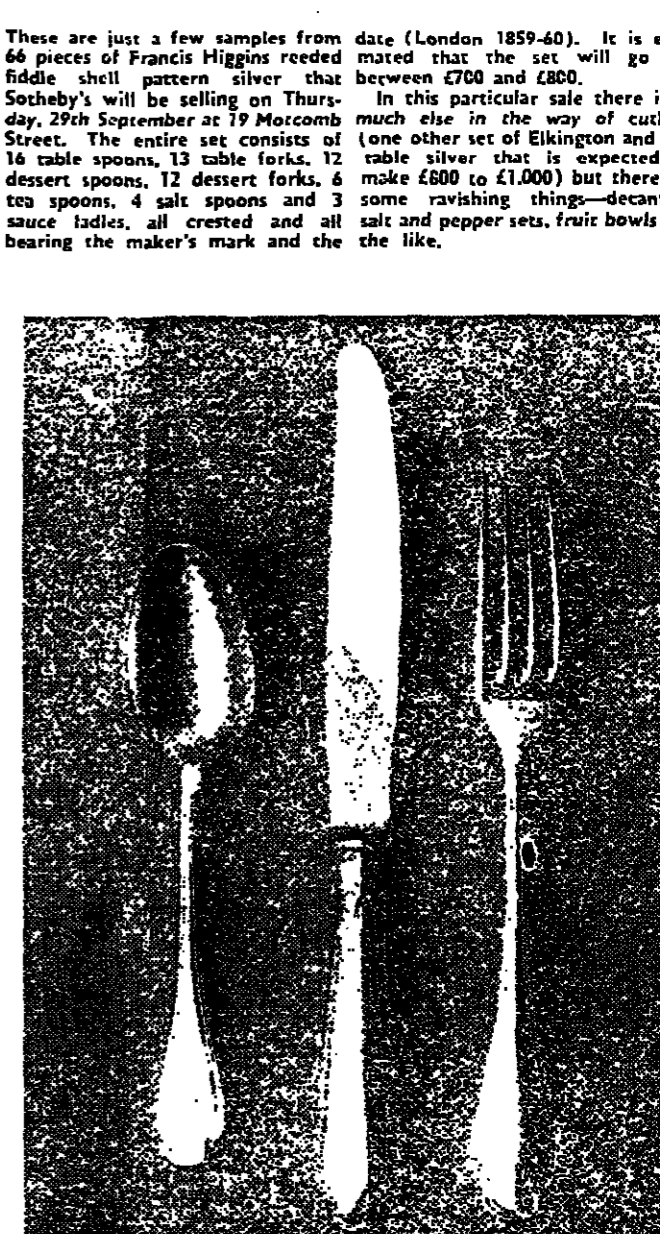
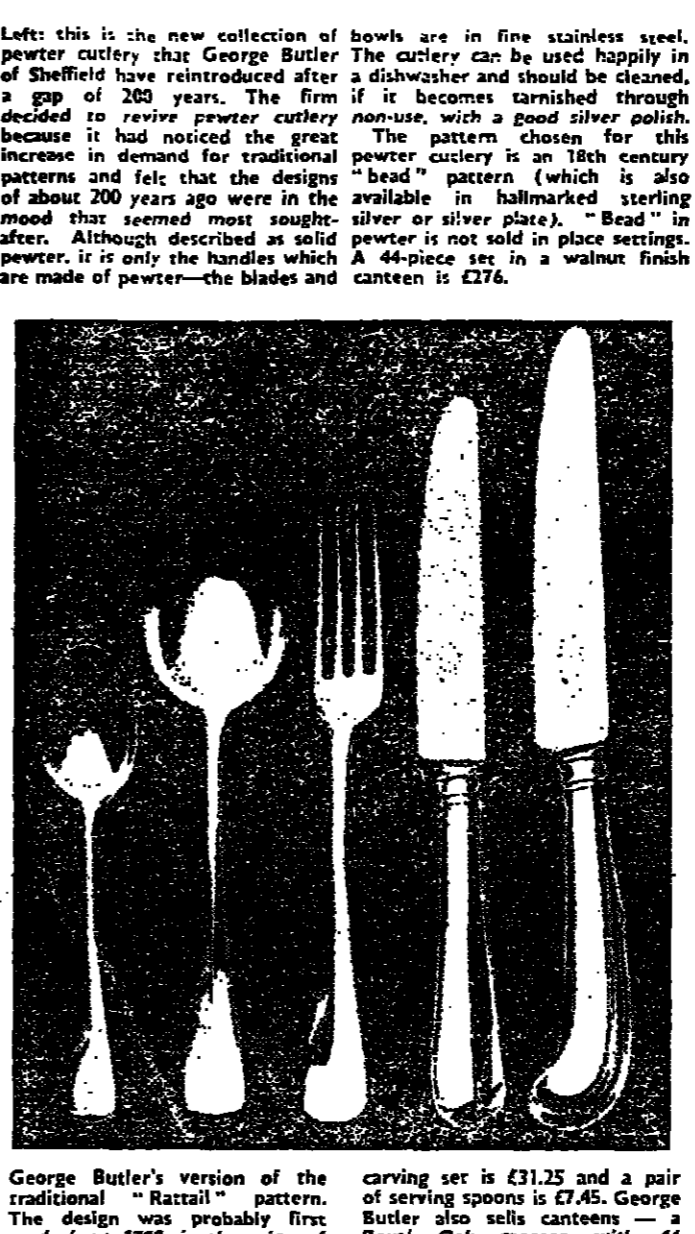
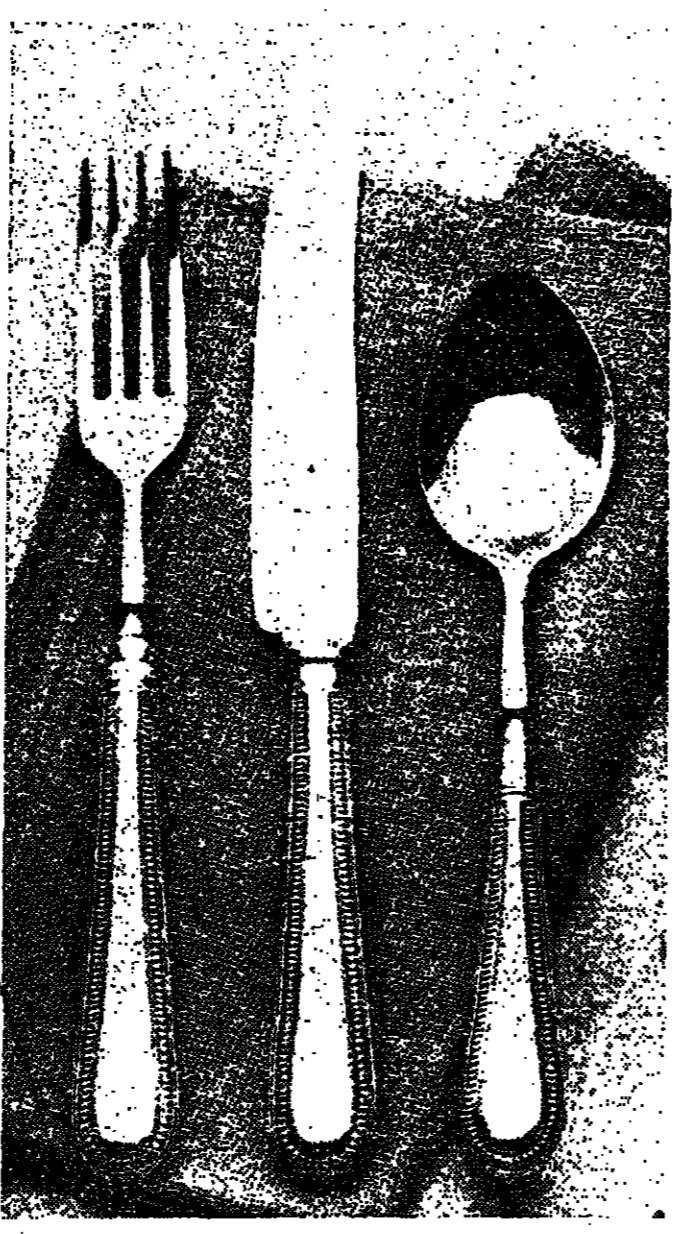
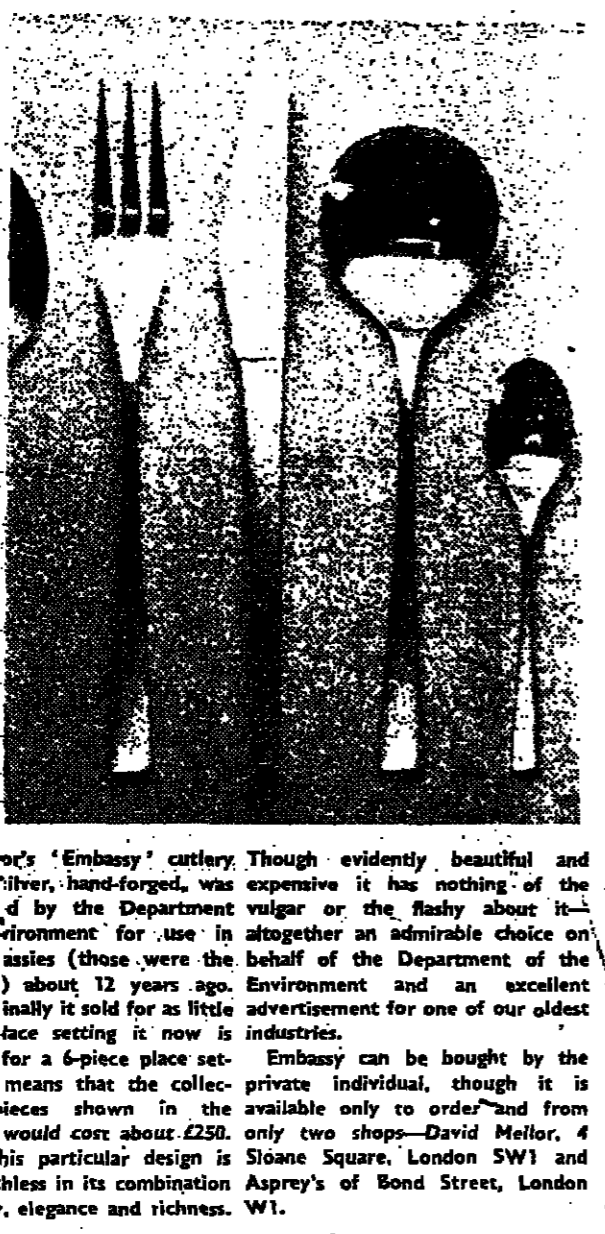
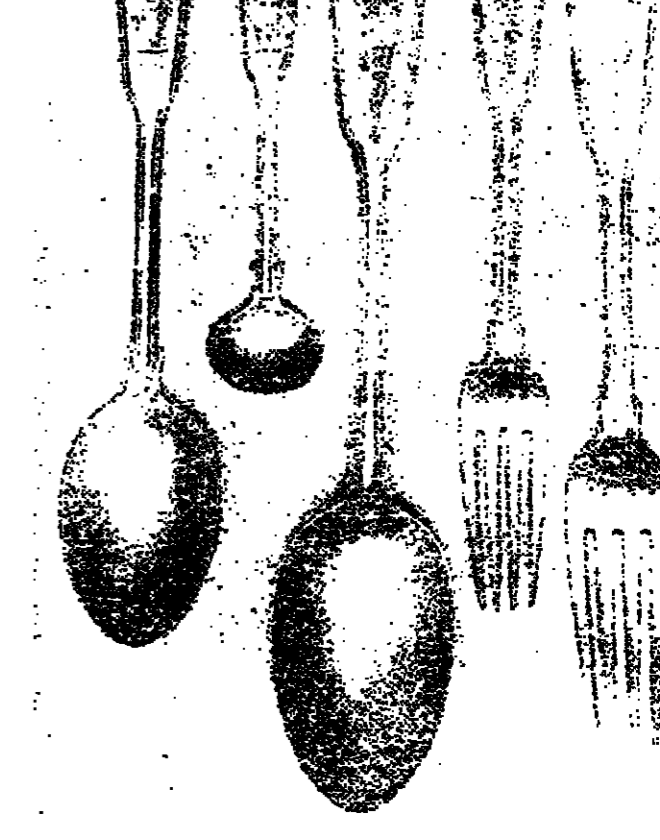
David Mellor, one of the most eminent of modern designers, began to feel some years ago that people wanted a richer look in their cutlery so he has introduced into his range his very first design, *Pride*. It is rather slim and long and though simple in shape there is a distinct elegance about it which so much stainless steel so singularly lacks. A six-piece place setting sells for £20.84; you can buy it at several shops but also

from David Mellor, 4, Sloane Square, London, SW1.

David Mellor thinks that Gee and Holmes is one of the best of the firms still making the traditional patterns and certainly, having looked at some of the designs, I think it does offer cutlery of great charm. In particular, it does a very English design called *Rattail* (*Rattail* is a traditional pattern and almost every firm makes a version, some are poor and some are very good, so look at them carefully). I also like their traditional English knives, the bone or ivory handles now made from very good-looking synthetic materials.

George Butler of Sheffield, too, has been aware for some time of an increase in demand for traditional patterns and they are now increasing the range of hall-marked sterling silver from two designs to four as well as offering a design in solid pewter. It is thought that solid pewter cutlery hasn't been made in this country since the 18th century and George Butler has chosen to introduce it in an 18th century hand-forged *Embassy* would be worth £100, while *Embassy* was about £60.

Those hoping to make a profit



George Butler's version of the traditional "Rattail" pattern. The design was probably first used about 1700, in the reign of William III and the "rattail" on the back of each spoon and fork was originally the join made by craftsmen of that period who had fashioned the two separate pieces individually. The panel-pistol knife was apparently fashionable also during the reign of William III's successor, Queen Anne, and looks still remarkably the way it did in 1700.

This is one of the designs that George Butler offers in either sterling silver or silver-plate. A seven-piece place setting in silver-plate is £23.95, a three-piece

George Butler's version of the traditional "Rattail" pattern. The design was probably first used about 1700, in the reign of William III and the "rattail" on the back of each spoon and fork was originally the join made by craftsmen of that period who had fashioned the two separate pieces individually. The panel-pistol knife was apparently fashionable also during the reign of William III's successor, Queen Anne, and looks still remarkably the way it did in 1700.

This is one of the designs that George Butler offers in either sterling silver or silver-plate. A seven-piece place setting in silver-plate is £23.95, a three-piece

George Butler's version of the traditional "Rattail" pattern. The design was probably first used about 1700, in the reign of William III and the "rattail" on the back of each spoon and fork was originally the join made by craftsmen of that period who had fashioned the two separate pieces individually. The panel-pistol knife was apparently fashionable also during the reign of William III's successor, Queen Anne, and looks still remarkably the way it did in 1700.

This is one of the designs that George Butler offers in either sterling silver or silver-plate. A seven-piece place setting in silver-plate is £23.95, a three-piece

George Butler's version of the traditional "Rattail" pattern. The design was probably first used about 1700, in the reign of William III and the "rattail" on the back of each spoon and fork was originally the join made by craftsmen of that period who had fashioned the two separate pieces individually. The panel-pistol knife was apparently fashionable also during the reign of William III's successor, Queen Anne, and looks still remarkably the way it did in 1700.

This is one of the designs that George Butler offers in either sterling silver or silver-plate. A seven-piece place setting in silver-plate is £23.95, a three-piece

note of next Saturday, if you're in the South-East area and are in leather of all sorts. Gomsball Tanneries, Street, Gomsball, Surrey, open their to the general public year next Saturday is Leather is not readily from shops (as several ders have already dis- od this is a wonderful to browse and buy. us will be open from 1.0 p.m. and from 4.0 p.m.

can never be a cheap as will be understood who manage a guided deals in half-dozen and inches. But hats, gloves, waistcoats, children's clothes, and cushions sell thonging, zips, knitting sale in a delightful setting. It is a place for browsing and relaxing companies and men's pure wool ing after securing your bargain machine washable socks at £1.85 a pair. The policy for reductions is given: a man's sheepskin coat

was reduced from £93 to £72 because of slight changes in the wool lining of one sleeve; the clean or wash like the material last remaining pair of ladies' pigskin slacks from £45 to £30. They also sell really large bags of Goldsworthy, published by Bats—£1 for toys, patchwork, etc. Gomsball is a delightful vil- lage on the A25 Guildford road; Gomsball and there is the BR station (from ing up and caring for leather. Waterloo or Victoria. It has two good pubs, the Black Horse and the Tannery Shop next to the Gomsball Gallery sells really good refresh- ments, including cream teas, at reasonable prices. The gallery, Vera Lloyd Antiques, has a won- derful selection of antiques—well as coats for men and women, suits, slippers, rugs, Pollock's toy theatres, corn dollies, mint bunnings are for sale in a delightful setting. It is a place for browsing and relaxing companies and men's pure wool ing after securing your bargain machine washable socks at £1.85 a pair. The policy for reductions is given: a man's sheepskin coat

George Butler's version of the traditional "Rattail" pattern. The design was probably first used about 1700, in the reign of William III and the "rattail" on the back of each spoon and fork was originally the join made by craftsmen of that period who had fashioned the two separate pieces individually. The panel-pistol knife was apparently fashionable also during the reign of William III's successor, Queen Anne, and looks still remarkably the way it did in 1700.

This is one of the designs that George Butler offers in either sterling silver or silver-plate. A seven-piece place setting in silver-plate is £23.95, a three-piece

George Butler's version of the traditional "Rattail" pattern. The design was probably first used about 1700, in the reign of William III and the "rattail" on the back of each spoon and fork was originally the join made by craftsmen of that period who had fashioned the two separate pieces individually. The panel-pistol knife was apparently fashionable also during the reign of William III's successor, Queen Anne, and looks still remarkably the way it did in 1700.

This is one of the designs that George Butler offers in either sterling silver or silver-plate. A seven-piece place setting in silver-plate is £23.95, a three-piece

## ELYAT

### Hand Crafted Furniture

Individually crafted pieces, authenticated by the Master Craftsman and branded with the Elyat hallmark of quality—the final endorsement to a living tradition of rare and beautiful cabinet making going back over 250 years. The intrinsic value of each carefully crafted piece will bring a deep and lasting satisfaction to its owner so seldom to be found in today's world of built-in obsolescence. A permanent display of Elyat traditional handcrafted furniture, together with a brochure of the complete collection, can be seen by appointment only. From these, commissions are taken—every piece being made to order with nothing from stock. And every piece, being

individually crafted, will differ from its neighbour in such details as selected grain, timber colour and finest points of finish, thus imparting the charm and personality which so distinguishes the Master Craftsman's work from the ordinary reproduction copy. Commissions take time to execute—perfection cannot be hurried and part of the pleasure in final ownership lies in the knowledge that no one can become an owner overnight. For an appointment to visit the Elyat Master Craftsman display of traditional furniture near Redhill in the county of Surrey, please return the appointment form below and we will get in touch to fix a mutually convenient time.

ELYAT FINE FURNITURE

Appointment Request

Please telephone me to establish a mutually convenient time to view the ELYAT Master Craftsman Collection.

My Name \_\_\_\_\_  
 My Address \_\_\_\_\_  
 My Telephone Number \_\_\_\_\_

A convenient time to phone is \_\_\_\_\_

To: ELYAT Fine Furniture Ltd., Les Chênes, Oak Lodge Drive, Redhill, Surrey RH1 5EB

## GUERNSEYS Galore

Guernseys Galore is the brain-child of two aspiring London professional men who started selling the genuine Guernseys sweaters by mail and the business was so successful that they are now in full-time. Guernseys sweaters are traditional island-made sweaters which are instantly recognisable once you've seen them—there's the distinctive crew-type neck, the pattern round the inserting of the sleeve to 52" and waist from 112.95 for a 34" to £20.95 for a size 52".

For a colour-swatch send a stamped (90) addressed envelope to Guernseys Galore, 6-8, Emerald Street, London, WC1N 3QA. Orders should go almost a lifetime) and, because the wool is slightly oiled, they offer far more protection from the weather than ordinary wools. They also go up to size 52" for larger farmers!

I like Guernseys best in the traditional navy-blue but Guernseys Galore offer them in pale blue, red, sage green, creamy white, brown or beige as well. Guernseys should be worn slightly on the large side, so order 2" larger than your actual chest measurement. The sweaters are made in sizes 34" to 52" and cost from £12.95 for a 34" to £20.95 for a size 52".

Guernseys Galore do fantastic business at country fairs and markets where they are much sought-after because the sweaters are very hard-wearing (they last almost a lifetime) and, because

## Last chance in Jubilee year!

# Sterling Silver Jubilee Ingot Pendant

Fine Jewellers specially created & crafted for this historic occasion!

PLEASE ORDER NOW TO AVOID DISAPPOINTMENT

To: P.R.S. Marketing, 1 Holland Street, London W8 4NA

Please accept my order for \_\_\_\_\_ Royal Silver Jubilee Ingot Pendant at £25.50, P & P Free for the first order. My cheque/credit card is payable to P.R.S. Marketing Readers Account No. \_\_\_\_\_

Signature \_\_\_\_\_  
 Name \_\_\_\_\_  
 Address \_\_\_\_\_

FT 24/9

PERSONAL CALLERS WELCOME—ORDER BY TELEPHONE 218785







Leisure

me-I'm cheap

HAEL DONNE

NDAY, transatlantic between London and will take on a new with the lowest-ever r fare of £59 single available on the Laker Skytrain.

putting one up somewhere in all six can now sell Stand-By tickets at the airport as well as in town also, thus giving the three smaller airlines a chance to get in on the cheap fares boom.

LONDON - NEW YORK CHEAP FARES COMPARED. SCHEDULED AIRLINES SINGLE RETURN. LAKER AIRWAYS Skytrain £59 (c)

(a) £85 or £146 when bought in New York (b) £92 or £169 when bought in New York (c) No return tickets available, but single ex-New York will cost £79 (\$133)

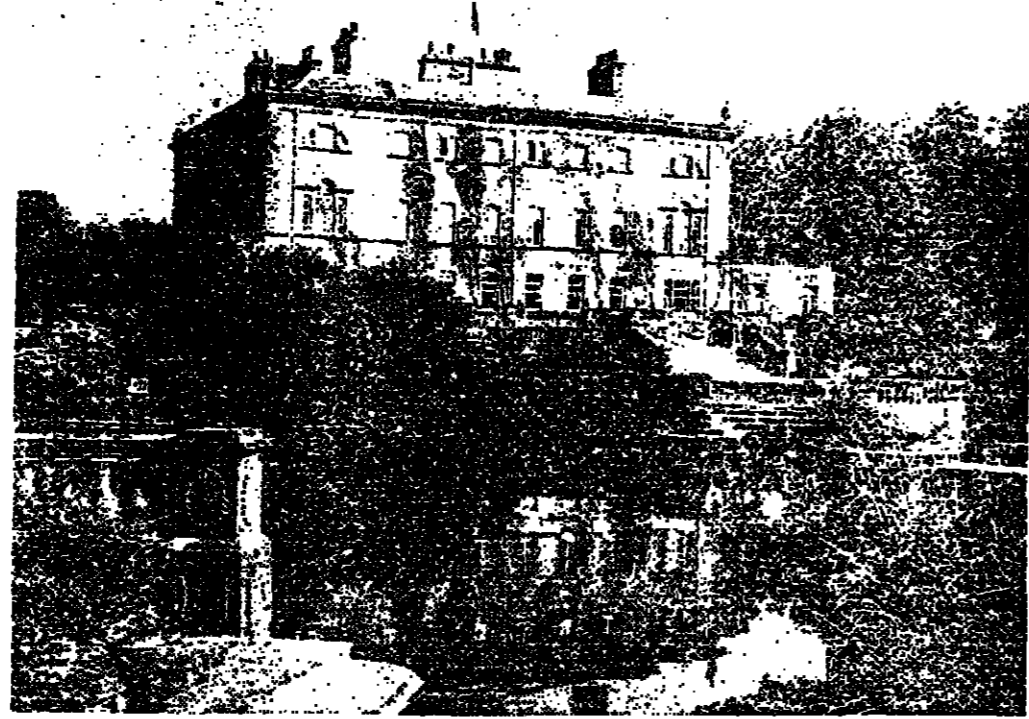
this effectively means up to 100 Stand-By seats each day out of London, against Laker's currently permitted allowance of 245 Skytrain seats a day.

From Monday also, the scheduled airlines (but not Laker) will be allowed to offer another type of cheap fare, the so-called Budget Plan, whereby the passenger will tell the airline 21 days in advance of the broad time he wants to travel, with the airline guaranteeing to tell him ten days ahead just when he can actually fly.

Reservation

tely rely h

In the same way reserve the prefix for your smarter have a soft spot for al. In the Dublin week-end you could pick between large owing the Earl of the opening of an museum at his Birr e in Co. Offaly or tress De Vesci turni sod of a training the disabled in Co.



Westport House Co. Mayo

rage is still going the Irish Republic e with the way in lo-Irish affairs are intertwined, more the 125 Irish peers in the House of editors of Burke's e reservations about ive argued in favour Republic-based the Lords to make as from Ulster, but he controversy sur- so much the Lords seats of the Lords ely homes.

been sold whole to the U.S. and the contents of famous collections dispersed at auctions organised by Sotheby's or Christie's. The Irish Times grumble now is that new taxation makes inheritance all but impossible. Recent sales, such as the £1m purchase of the Dukes of Leinster's former home, Carton, to a mining equipment company called Powerscreen, or the £3m sale of the late Countess Fitzwilliam's Coollattin Estate to an Irish building magnate, give a false impression of a ready market for stately homes. In fact, unless the property includes realisable assets, such as Coollattin's standing timber, there are few buyers queuing up to take on crumbling and costly castles. A case in point is the deal not very long ago in which millionaire art collector Mr. Daniel Wildenstein sold his Killeen Castle property to a Dublin advertising agent who had his eye on the estate's farmland and its racing stables and will live in the well-appointed manager's house while putting the castle into mothballs.

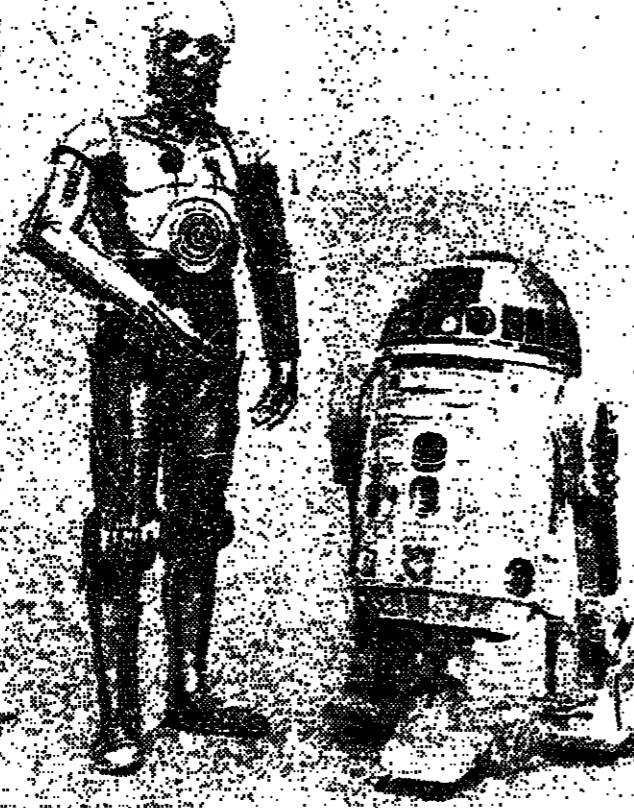
veyed are run at a loss and depend on assets if income outside the Republic. Many others rely on borrowings and are calling into capital, but the major grumble now is that new taxation makes inheritance all but impossible. Recent sales, such as the £1m purchase of the Dukes of Leinster's former home, Carton, to a mining equipment company called Powerscreen, or the £3m sale of the late Countess Fitzwilliam's Coollattin Estate to an Irish building magnate, give a false impression of a ready market for stately homes. In fact, unless the property includes realisable assets, such as Coollattin's standing timber, there are few buyers queuing up to take on crumbling and costly castles. A case in point is the deal not very long ago in which millionaire art collector Mr. Daniel Wildenstein sold his Killeen Castle property to a Dublin advertising agent who had his eye on the estate's farmland and its racing stables and will live in the well-appointed manager's house while putting the castle into mothballs.

are presently on the Finance Minister's desk and, even though these are likely to take several millions out of the exchequer in lost revenue, there is some hope the new government is sympathetic. But not all stately home owners have settled for the gentle art of lobbying. Some, like the Earl of Mount Charles, have plunged into the catering business in order to keep the wolf from the door. With his father, Marquess Conyngham, now living in the Isle of Man, Lord Mount Charles has had to drop the start he made in London publishing and runs the Slane Castle restaurant in order to be able to live over the shop. Up on the Ulster border at Castle Leslie, Mr. Desmond Leslie has turned his walled and beautiful estate of 1,000 acres of Parkland into Europe's most ambitious equestrian centre, and attracts professional horsemen and foreign holidaymakers alike. Most determined of all, some might say, is the Earl of Alton. His 50-room mansion, Westport House in Co. Mayo, was turned into a commercial tourist attraction 15 years ago, complete with caravan park and a "chamber of horrors" in the dungeons, and so far has lost £150,000. If he doesn't get some handsome tax reliefs, or so he has been saying, he will pull it down stone by stone.

GILES MERRITT

Transferred robots

ARS." Twentieth x's space odyssey, nched in the U.K. r 27. Parents are between now and children are almost ing to follow the pattern of clamorous- usual paraphernalia companies such



On the transfer list: Star War's Artoo-Detoo and See-Threepio.

field, which in his case means transfers ("rub-ons" in the U.S.) with breakfast cereals, chocolate bars and the like. Used by the millions by big names in the breakfast cereals business, a recent follow-up order for 30m. transfers was placed by Ferrero, the German-based chocolate manufacturer. Ferrero, which has been using transfers for some three years now, claims that its sales double when they are used. John Simmonds is more than delighted because such sales have the twin advantage of increasing "transfer awareness" thereby boosting Letraset transfer sales in general. The company is particularly strong in the educational field. Transfers are supplied to a number of publishers for use in special activity books. In Saudi Arabia, for instance, negotiations are currently taking place to market a visual programmed learning system to relate Arabic to English. In medicine, the transfer is seen as having a big future in teaching. Various parts of the body, such as the eye, can be built of thin layers of peel-off transfers. In textiles, too, transfers are already beginning to revolutionise the printing process. Star Wars will eventually pass into film legend. But there is little doubt that such diversions, allied with the other activities of Letraset's consumer division, are going to be of increasing importance in the overall growth of the Letraset business. IAN DUNNING

AUGUSTUS BARNETT 149 CUT PRICE WINE SHOPS

Advertisement for Augustus Barnett wine shops featuring a grid of various wine and spirit bottles with their respective prices. Brands include Dewar's, Haig, J & B, Martell, and others.

Price list for Augustus Barnett wine shops. Columns include wine names and prices. Includes items like FABULOSO SPANISH BRANDY, CAPTAIN MORGAN RUM, BACARDI, etc.

AUGUSTUS BARNETT 149 CUT PRICE WINE SHOPS



10 British Airways helicopters

Fly to the Isles of Scilly from Penzance in 20 minutes



This service is operated winter and summer. For information and reservations telephone Penzance Heliport: Penzance (0736) 3871 or contact your local Travel Agent.

Winter breaks 1

Search for the sun

BY SYLVIE NICKELS

THE FACT IS that no one can really put their hand on the heart and guarantee you clear skies and high winter temperatures anywhere on our own continent...

With thousands of arrangements to choose from, obviously only a handful can be mentioned here, and these are taken from some of the specialists in their own field just to show the variety.

ably expect, and the Majorcans have been comfortably familiar with our funny ways for more winters than most.

As a final contrast, there is Twickenham Travel's Red Sea Arrangements: around £300-£350 for 14 nights with half board in 4 or 4-star hotels in or near Eilat, Israel.

For Business or Pleasure. Single or multi-centre tours to suit your needs. Top class hotels, sightseeing, car hire, insurance and many other services if required.

The Far East and Thai-Malaysia Tours. Christmas and New Year Cruising. Imagine Christmas at sea aboard a big cruise liner.

WINTER BARGAINS IN CALIFORNIA. LOS ANGELES (10 DAYS) from £255. FLY DRIVE CAMPERS from £269. HAWAII & HOLLYWOOD (2 WEEKS) from £489. PLUS NEW YORK (2 WEEKS) from £199. Jelsave Vacations. \$50 OFF.

SKI THE TOP RESORTS AT GUARANTEED PRICES. We specialise in skiing holidays in resorts with extensive skiing and varied après-ski in France, Italy, Switzerland and Austria.

GIBRALTAR IN WINTER. For the first time in winter! A series of inclusive holidays by Charter Flight. Day flights are planned to a selection of real "value for money" hotels and self-catering apartments.



Tenerife, Canary Islands

Changed but still desirable

THE TRAVEL business can, at times, be depressing. A recent fourth visit to Grand Canary combined with a first visit to Tenerife confirmed that the architectural phenomenon known as "urbanisation" on much of the Mediterranean coast is now creeping steadily across the desirable square metres of the main Canary Islands' shores.

road, in very recent years. Now an international airport is planned. Playa de las Americas is the largest new resort in which villas, crutch beneath huge hotels and apartment blocks. Some of the hotels are very well designed: it is the villa occupants who have my sympathy.

This winter, stroll the Casbah. See some Canaries. Have a Madeira. Cruise away for a week in the sun. Aquarius 1-week winter sun fly-cruises. One of the nice things about this cruise are the days you miss - across the cold English Channel and the notorious Bay of Biscay.

WINTER BREAKS Individually Arranged Holidays to NICE, CANNES, MONTE CARLO, PARIS and AMSTERDAM. From £49 inclusive.

SOVIET UNION HOLIDAYS 7/78. SPECIAL OCTOBER ANNIVERSARY TOURS 7-14 nights all inclusive air charter from £29.00.

SKI MAGAZINE. Our first six issues for 1977 are now available from every newsagent.

TRADITIONAL WINTER TOURS. 6, 7 & 14 nights all inclusive from £121.00.

SKI ERNA LC. Write now for our brilliant Ski with Erna Low. Many exciting ski resorts for Budget Skiers & Connoisseurs alike.

INTOURIST MOSCOW LIMITED. 3-day Moscow Weekend from £99. Dep. Oct. 29.

HOLIDAYS OF A LIFETIME IN CEYLON. Special departure. Excellent selection of hotels. We can offer holiday ANYWHERE IN CEYLON.

CROSS-COUNTRY SKIING. Cross-country, light, ski-instruction, etc. We can offer holiday ANYWHERE IN SWITZERLAND and Norway.

WE ARE READY FOR WINTER! With holidays to ATHENS, RHODES, CRYE & C. Write or phone for book.

Handwritten signature or note at the bottom of the page.



# Winter breaks 2

مكازم الأهرام

## long haul

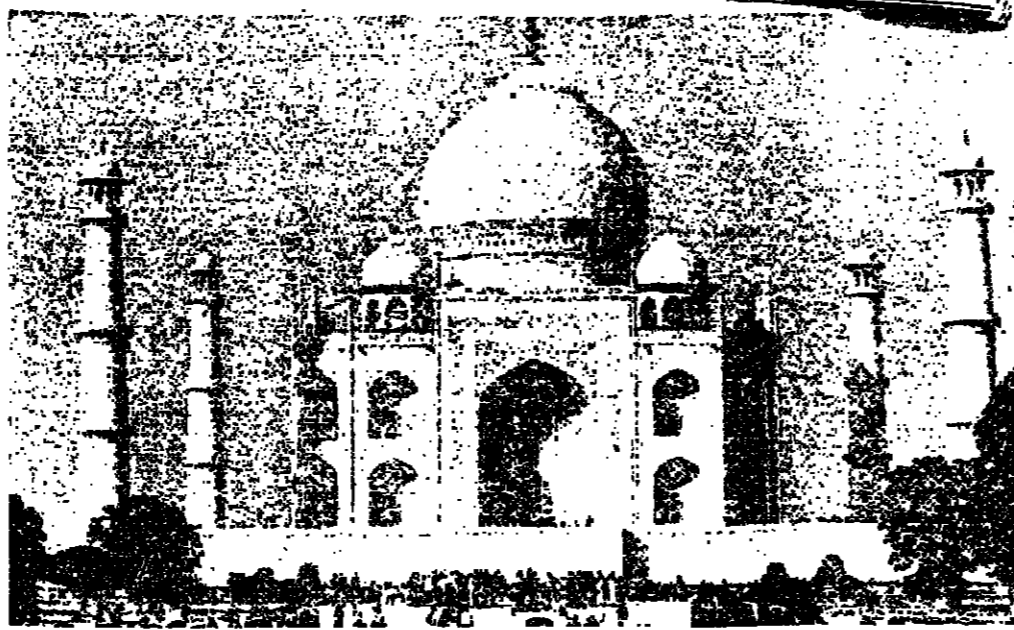
MARTIN

apid development £225 for a 14-day winter holiday air transport, day when six people share a strange-sounding accommodation at Halcyon Days in St. Lucia. The price rises considerably for a long stay in a luxury hotel but, at a price of £1,145, you can spend a month to be controlled at the Cunard La Toc Hotel and certainly guarantee your winter sunshine. A full English breakfast has remained fast and dinner are included.

British Caledonian, the big arrangements to rest of our own independent airlines are to-day expanded its programme and offers package arrangements linked to its scheduled services to South America and West Africa. In addition to the Hotel Bintamani due to open in a couple of months' time, a week's Golden Lion holiday, travelling by scheduled air and with demipension at the Cap Sierra Hotel, fully air-conditioned and right on the beach some eight miles from Freetown in Sierra Leone, costs £385. However, as the cost of the air fare is always a major factor in long-distance travel, a 14-day holiday at £415 really does seem to represent better value. There are future plans to link these Golden Lion holidays with B.Cal's new transatlantic routes to Atlanta and Houston.

A comparable series of holidays, marketed as Sovereign or Speedbird, is available at many places served by British Airways' scheduled services. They include Mexico which, while I have considerable reservations about Acapulco, I found one of

us is best known at programme of Breaks, they also Arabados and St. In the increasing self-catering holiday lowest price of



The Taj Mahal, Agra

the most colourful and exciting countries I have visited.

Alta, another associate company of British Airways, has an excellent Mexican programme which nearly always starts off with a stay in Mexico City before moving on to the historical sights inland or to the coast. A fortnight's holiday, with accommodation only included in the Camino Real in Mexico City, costs around £500. There are also October 17 and November 14 departures for a 17-day tour that takes in Guadalajara and the Mayan

centre of Chichen Itza at prices starting from £770.

In the Seychelles Rankin Kuhn use some of the lesser known and smaller hotels on the main island of Mahé and I can remember how enchanting I found the Auberge Louis XVII set above Victoria, the island's tiny capital. It has its own pool but a car is virtually essential in order to get down to the beach and round the island. The same company also arranges stays on the smaller and, in my view, more attractive island of Praslin.

elysio identified with India ever since the days when great-grandmama went out to join the regiment the "PUSH" way. They have every justification for claiming that they know a great deal about this fascinating sub-continent and, in addition to city and beach holidays, have arranged some imaginative tours which combine the India of the Princes with that of the Moghul Emperors. One itinerary, including Delhi, Darjeeling and Calcutta as well as Katmandu and Agra, is quoted at £630.

Lufthansa provides the air transport for perhaps the most exciting and imaginative series of holidays designed for the dedicated and serious traveller. They involve trekking in the foothills of the Himalayas and going as far as the Everest base camp. Full details of these Sherpa Expeditions can be obtained from Twickenham Travel. Prices are from £588 and the brochure is careful to list how strenuous the different expeditions are and offers guidance and advice about the standard of physical fitness required. High altitude trekking is an utterly different conception from a sea, sun and sand holiday on a far away foreign beach.

The range of long haul holidays becomes wider each year and, whether you want to just escape from an English November or embark on the true holiday of a lifetime, someone, somewhere, will be able to



Coral Strand Hotel, Mahe, Seychelles

reimburse it for you!  
 Alta Holidays Ltd, 200 Buckingham Palace Road, London SW1W 9PL  
 Cox and Kings Ltd, 46 Marshall Street, London W1V 2PA  
 Golden Lion Holidays Ltd, Blue Sky House, London Road, East Grinstead, West Sussex RH19 1HU.  
 Dorking, Surrey RH5 1AY  
 Pegasus Holidays Ltd, 24a Earls Court Gardens, London SW5  
 Rankin Kuhn Ltd, 19 Queens Street, London SW1X 8AL  
 Twickenham Travel, 22 Church Street, Twickenham, Middlesex TW1 3NW  
 Kuoni Travel Ltd, Deepdene House.

PAUL MARTIN

# Cruise the Caribbean with us and we give you a week in Florida for only £20.

Normal cost of 1-week cruise £499.\*  
 National Airlines gives you an extra week in fabulous Florida for an inclusive £519.\*

National Airlines flies you non-stop from London in wide-cabin DC10 super-comfort to Miami. Where you board with either of Carnival Cruise Line's luxurious liners, the "Carnival" or the "Mardi Gras," each of which is fully air-conditioned and has its own nightclub, casino, three swimming pools, bars, discotheque and cinema. And there are two different stage shows each night.

All while you're cruising the fabled waters of the Caribbean - with ports of call in the Bahamas, Puerto Rico and the Virgin Islands.

You return to spend a further week in a first-class hotel of your choice for Walt Disney World or Miami Beach.

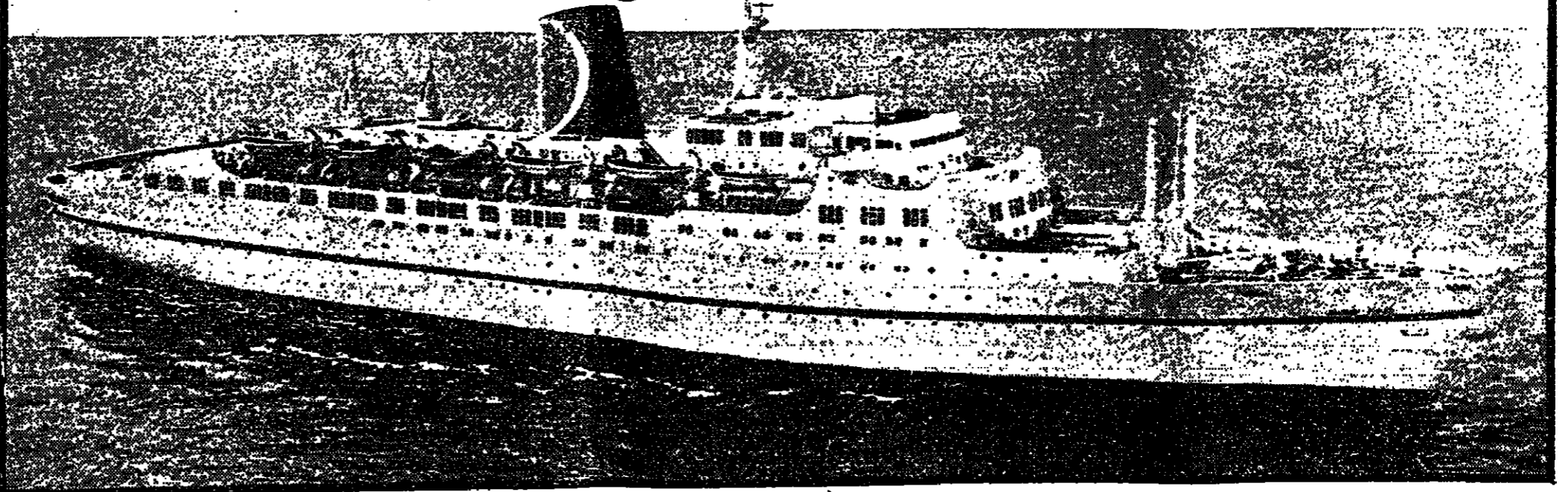
We also give you the National Holiday discount card - which entitles you to some very worthwhile savings at stores and restaurants, etc.

Depending on the type of shipboard accommodation you choose, prices are from £519 to £1,070 - for the National holiday of a lifetime.

National Airlines' holidays cover a wide range: fly/drive, stay-put, camper, tennis and golfing vacations are just some of them. Ask us, or your travel agent, for our brochures.

\*All prices subject to change without notice and applicable P.E.E. Gift tax regulations.

The Southern Gateway to the USA



# National Airlines

For complete details and colour brochures, contact your travel agent or write to National Airlines (Dept. DR), 81 Piccadilly, London W1V 9HE Tel: 01-629 8272. National Airlines Inc. is incorporated in the state of Florida, U.S.A.

## sailing

is the sailing up the boat would do well to make a modest investment in cold-weather gear and try his or her luck for another month or two.

The first essential is cold-weather clothing. We did that with nylon pile inside and worn next to the skin are a requisite to keep the crew warm and cosy up to Christmas. If you don't mind being a trifle crabby these suits can double as pyjamas and underclothes. During the day they simply need topping out with jersey, pants, and oilskins.

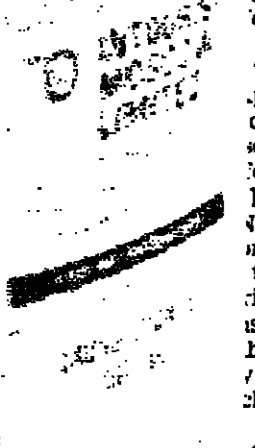
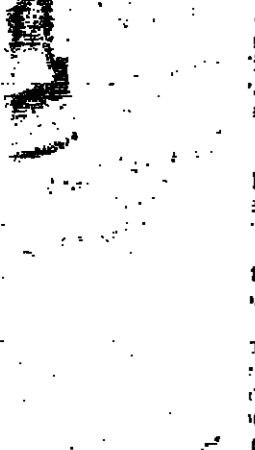
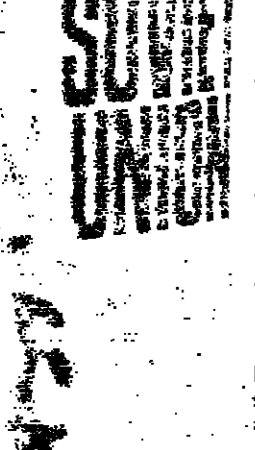
The other essential is a cabin heater. Time was when the only choice was a black monster of a stove with a large crooked chimney casting soot over the decks. But now there are a range of efficient heaters on the market using liquid and solid fuels and bottled gas. My own choice has been a couple of the catalytic heaters which convert bottled gas into a form of low background heat (at about 100 degrees Centigrade) by passing the gas over a metallic catalyst.

These heaters are silent and reliable. They are also, in my experience, economical as one can heat a 30-footer to about 70 degrees Fahrenheit at a cost in butane gas of about 30p for a 24-hour period. But their most important virtue compared with other forms of heating for boats is that they are comparatively safe. They do not produce flames to encourage an accidental fire and they do not cause unpleasant fumes; although adequate ventilation is needed of course as they burn oxygen from the air.

Thus equipped it can be a real pleasure to make a winter weekend passage under easy sail (for the winter winds being colder and having more weight in them require prudence in the sail-carrying department). The best part of the winter sailing day is often between dawn and about 2 p.m. After that the sun loses its warmth and it is good to make a mooring or anchorage, and even better to find a sailing club or pub with supper and an open fire.

Winter sailing also encourages those little courtesies. Arriving at a South Coast marina one November afternoon we were actually offered a choice of berths and asked if we would like electricity piped on board for the night.

ROY HODSON





HOME NEWS

Benn given 'disaster' label by consumer chairman

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

MR. TONY BENN, the Energy Minister, was described as "Cabinet Minister Disaster Number One" yesterday by the man appointed to represent the interests of consumers...

Mr. Laker had shown it was possible with his Skytrain, and anyone flying to America should have a service to ensure that the big, established airlines did not pill off his service by predatory pricing practices designed not to reduce fares in the long term, but only to put Laker out of business.

to grant monopolies to favoured barons. Since most of the things they produced, such as energy, were essential to the power of taxation, no taxation without representation was an accepted principle of democracy, but not one that was fully recognised in the nationalised industries where consumers were still powerless to do anything about rising prices and falling standards of service, even when some of those industries were making record profits.

No monopoly power without effective consumer representation should become a new principle in the constitution of the country, he said. The consumer movement should question the value of monopolies, and consider whether an element of competition could be introduced to the State sector.

Mr. Laker had shown it was possible with his Skytrain, and anyone flying to America should have a service to ensure that the big, established airlines did not pill off his service by predatory pricing practices designed not to reduce fares in the long term, but only to put Laker out of business.

Mr. Young, who will hand over the chairmanship of the council to Mr. Michael Shanks next month, said that the consumer movement had received some help from Government. He would rate highest the efforts of Mr. Peter Shore at the Department of the Environment, who had responded quickly to the NCC's report on council tenancies, encouraged consumer co-operatives in housing and, above all, set up the Windscale inquiry into the expansion of the plant for processing nuclear waste.

Mr. Silkin, he said, would be a close runner-up because, "unlike his predecessors," he had been a staunch Minister of Food as well as a Minister of Agriculture.

The wooden spoon for Ministers, he said, would go without much doubt to Mr. Benn, who, since he set up the Energy Commission a year ago, still had not appointed a consumer representative to it as promised. Moreover, Mr. Benn had tolerated the 10 per cent gas price increase and failed to abolish the disconnection powers of the fuel authorities.

Mr. Young stressed the need for the consumer movement to improve its strengths at the grass roots. For all the progress that had been made, the movement was still top-heavy. What was needed was for people to become more militant and more interested in self-help.

Already, he said, more and more people were not content to be "spooned" by the State, not to have their department had their duffny."

Howe and Jones exchange questions

By Christian Tyler, Labour Correspondent

MR. JACK JONES of the Transport and General Workers' Union yesterday took up the challenge of Sir Geoffrey Howe, Shadow Chancellor, to answer Conservative questions on the closed shop.

Mischievously noting that Sir Geoffrey had at one time worked for the union as a solicitor, and that his father, a tipplé worker in South Wales, had been a member, Mr. Jones asked a few more questions of his own:

"If workers join a trade union will he, will the Conservative Party, support their right to be a member of a trade union and to be represented by a trade union?" he asked.

"Will Sir Geoffrey, with all his knowledge of the trade union movement, take that elementary approach and answer yes, or no?"

Sir Geoffrey had asked three questions: Why unions should not agree to a secret ballot before demanding a closed shop; about the fate of existing non-members, and compensation for those who lost their jobs; and why workers expelled by unions should not have the right of appeal to an independent legal tribunal.

Mr. Jones said: "I believe that the closed shop should apply where the majority of workers wish it. I do not advocate employers imposing a closed shop, as some do, for a particular union."

"Most of the agreements we have on the closed shop do provide for exceptions, conscientious objectors and religious beliefs. Dismissals are very rare with us. It is usually after long arguments and usually dismissal because the employer wants it, rather than the union."

He asked why Sir Geoffrey wanted to introduce the law which the TUC had already set up an independent review body to hear appeals from workers who had lost their jobs after being refused union membership, or expelled.

"Instead of making political capital, why does he not request that the TUC set up a review body which is available and that if that is unsatisfactory, then we could look at the problems together, not as political games?"

London Bridge Securities men are criticised

BY JOHN BRENNAN, PROPERTY CORRESPONDENT

Sir William Pigott-Brown, one-time champion of the "lock, socialise, and fail" policy, was severely criticised for his management of London Bridge Securities in the Official Receiver's comments on the group's failure.

London Bridge, a publicly quoted property group which came to the market in January 1973 and whose shares reached an all-time "high" of 192p that year, was put into liquidation in May, 1976.

A summary of the group's affairs shows that it had no assets and total debts of £22m. at the time of its collapse.

Mr. James Christmas, the Official Receiver, was appointed liquidator of the company last year. And in his review of the events leading to the collapse, which was submitted to the High Court this week, he writes: "In the opinion of the Official Receiver, the failure of the company is attributed primarily to the fact that the directors, particularly Michael John Clifton-Taylor and Sir William Pigott-Brown, committed it to undertake—and through subsidiaries, to finance—expensive, ill-judged, speculative ventures, relying predominantly on interest-bearing borrowed funds."

Mr. Christmas reports the directors' version of events, writing that "Taylor attributes the company's failure to the inability of subsidiary companies to meet their liabilities."

Mr. Taylor also commented on problems in obtaining finance for certain acquisitions, and delays and interest charges on the group's most ambitious project, a £37m office scheme in Manchester.

Sir William is reported to attribute the failure to "a fall in the value of property and high interest rates from the beginning of 1974 and to increased costs and delays in respect of the Manchester development."

London Bridge's banker, funded the Manchester development and is shown to have lent £5.7m to the group by May, 1976. The bank's loan was secured on the building, which was sold this year for under £4m.

Mr. Christmas notes that Sir William and Mr. Taylor "both state that during 1975 neither the company nor its subsidiaries had sufficient funds to meet liabilities to creditors in respect of advances made by charges on the properties of subsidiary companies and that many of the properties were sold to mortgagees."

Although losses totalled £26.720 in the two years to April, 1975, Mr. Christmas notes that the properties were sold at a profit of £1.5m. He reports the directors' version of events, writing that "Taylor attributes the company's failure to the inability of subsidiary companies to meet their liabilities."

Youth job scheme attacked by Minister

By Michael Dixon, Education Correspondent

THE GOVERNMENT measures to counter employment problems were criticised by Mrs. Shirley Williams, for Education and yesterday for discarding women.

In some places jobs are increasing faster than among boys, Mrs. Williams told the Equal Opportunity Commission's Northern conference.

But the new measures on the Manpower Survey Commission's recent report seemed to be leaning more on catering for boys than girls, she said.

"I promise you that whatever is in my mind, I ensure that the case for girls does not go by the wayside," she said.

Fall in steel consumption

By John Lloyd, Industry Correspondent

THE MOTOR and other industries used 350,000 tons of steel in the second quarter of this year. This is the widest spread since the major car manufacturer, Leyland and Ford, are continuing decline in tonnage.

Overall consumption of steel, however, was up 1.5 per cent on the first quarter of 1977. This is the widest spread since the major car manufacturer, Leyland and Ford, are continuing decline in tonnage.

Consumption of steel in the second quarter estimated at 3,700,000 tons, up 1.5 per cent on the first quarter and 3.8 per cent on the same quarter last year. Motor industry fell from 0.47m. ton first quarter to 0.38m. ton second quarter of 1977.

In construction, steel use is estimated at 0.5 (0.53m. tonnes in the second quarter of 1977, up 0.6 per cent on the first quarter of 1977).

Mechanical engineers use an increase in engine output from 0.33m. tonnes in the second quarter of 1977 to 0.38m. tonnes in the second quarter of 1977.

These figures are quarterly estimates and stocks by the Department of Industry. The second quarter of 1977 saw a 3 per cent increase in steel use in the motor industry, while stocks of steel fell by 1.04m. tonnes.

Brooke boat order by Australia

By Our Shipping Correspondent

BROOKE MARINE has won another successful contract for the purchase of 42 motor launches for the Australian Maritime Rescue Unit, although most of the team was out taking part in the search for a missing landowner.

The Opposition Leader toured the Moray and Nairn constituency, which the Tories hope to win back from the Scottish Nationalists at the next election. Mr. Morrison was seen privately in Scotland before flying to Shetland on Monday.

'State land takeover' plot denied

Financial Times Reporter

SUGGESTIONS that formation of a committee of inquiry into land ownership was part of a plot aimed at land nationalisation were firmly denied by Lord Northfield, chairman of the committee, in London yesterday.

He recalled that he had spoken against land nationalisation several times in the House of Lords.

After the committee's first meeting Lord Northfield said the inquiry was "basically" a fact-finding operation. "We are not going to produce a new White Paper on nationalisation."

The committee will gather facts on the recent pattern of land acquisition, and examine the extent of institutional and foreign buying; problems faced by young people wishing to set up in farming; and effects on land ownership of taxation and EEC entry. It will study methods used in other countries to deal with these problems.

Government sticking to policy on State industry - Barnett

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE GOVERNMENT is sticking to its policy of allowing nationalised industries to work out the details of their own pricing policy for themselves, to cover costs, with assistance to the poor being given through social policies.

This was emphasised yesterday by Mr. Joel Barnett, Chief Secretary to the Treasury, in a speech to a conference in London on Government and the nationalised industries.

Mr. Barnett set out the government thinking, which is likely to be included in the White Paper on nationalised industries due to be published after this year. He defended the decision to stop subsidising prices while appreciating the hardship caused by the increases.

The principal way in which the Government will influence pricing policies would be by way of the financial target, "the level of which will of course have an effect on prices."

"In some areas," he added, "we are bound to be concerned with the pricing structure of particular industries where this influences the allocation of resources and level of demand, particularly for monopoly industries."

But the details of pricing policy ought to be for the industries themselves to work out.

He argued that failure to achieve "reasonable financial and economic objectives in the nationalised industries" does "enormous harm to the credit and financial well-being, including public ownership itself."

Mr. Barnett also defended Government intervention in the activities of nationalised industries. This "does not mean we should, or would want to, be intervening in the day-to-day management of the industries."

earlier this year) provides a basis from which we can make certain that our involvement is sufficiently constructive to ensure that our success for industries that play so important a part in the economy."

People should not be surprised at Ministerial intervention in such "an important part of the economy"—more than one-tenth of the national product—"there would be real cause for concern if Ministers did not take a very close interest in the nationalised industries' economic and financial well-being, including prices, investment and general performance."

"No matter what Board structure eventually evolves, governments cannot give them total independence. There is bound to be intervention, not just because of the sheer size of the public sector but also because the public will blame them for the industries' failings whether or not they intervene."

Mr. Barnett said the Government Office report (published

Productivity deals hope by Airways

By Michael Donne, Aerospace Correspondent

BRITISH AIRWAYS wants to pay its workers higher wages for higher productivity, the airline's deputy chairman, Mr. Ross Stainton, has told the National Joint Council for Civil Aviation.

He pointed out this week that self-financing productivity deals were exempt from the Government's rule of one pay rise every 12 months and cost yield pay rises in excess of the 10 per cent limit.

Mr. Stainton said to the council: "May I state now quite positively that we would like to pay more to our employees if we could obtain more efficient use of manpower. These two objectives must go hand in hand. If we pay more wages without obtaining better productivity then our costs will not be competitive with our European counterparts. We would be uncompetitive and increasing losses would enforce withdrawal from more and more of our existing operations."

£1.8bn. defence cuts plan attacked by Mrs Thatcher

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE LABOUR PARTY Defence Study Group's proposals for a £1.8bn. cut in defence spending were strongly attacked yesterday by Mrs. Margaret Thatcher, Leader of the Opposition. They were, she said, "disgraceful."

After visiting RAF Kinloss, North East Scotland, she said that recent cuts by the Government had taken the level of the country's defence below bedrock and would have to be restored by the next Conservative administration. Resources would have to be switched from other areas.

"We shall have absolutely no defence left to speak of. We would be letting down our alliance partners in NATO if these cuts were implemented."

Mrs. Thatcher said she had been encouraged by the rejection of Mr. Mikardo's report by Labour Ministers. But these same Ministers would have to rely on Labour backbenchers who supported defence cuts in order to get other policies through Parliament.

The report revealed clearly, she said, "what a large part of the Labour Party was thinking. When they got into power next time, with fewer moderates to prevent them, this was what they would like to see happen. However, she was "reasonably confident that the Conservatives would win the next election."

During her visit Mrs. Thatcher for a second time visited the mountain rescue unit, although most of the team was out taking part in the search for a missing landowner.

The Opposition Leader toured the Moray and Nairn constituency, which the Tories hope to win back from the Scottish Nationalists at the next election. Mr. Morrison was seen privately in Scotland before flying to Shetland on Monday.

Gartmore High Income Units. More attractive than ever now that interest rates are falling.

8.8% estimated current gross yield on 22nd September 1977. Interest rates have fallen substantially recently, yet Gartmore High Income Units yield 8.8% gross. This yield is achieved mainly through investment in equities.

How the money is invested. Investment in the Fund is now spread as follows: 83.2% - Equities, 13.8% - Preference Shares, 1.5% - Convertibles, 1.5% - Cash & Gilts. As investment conditions change we shall vary these proportions, but the Trust will always be mainly in equities.

together with a measure of long-term capital growth. Remember that the price of units and the income from them can go down as well as up. You should regard your investment as a long-term one. How to invest. You can invest from £200 upwards. To apply, fill in the coupon below and send it to Gartmore Fund Managers with your cheque. Or consult your professional adviser as soon as possible.

The Gartmore Credentials

WHAT MAKES GARTMORE SO POPULAR WITH PROFESSIONAL ADVISERS? Although Gartmore Fund Managers is a comparative newcomer, Gartmore Investment Ltd., the parent company, is not. It is, in fact, an established City institution responsible for managing over £200 million of funds for investment in stocks, insurance companies, private clients' accounts and pension funds. It has earned the high regard of fellow professionals in what is probably the most exacting school in the world—the square mile of the City of London.

Gartmore Fund Managers Ltd., which currently manages nine unit trusts valued at £2,200m, has a staff of 100. This staff background of experience explains why some two-thirds of the money subscribed for Gartmore unit trusts has come, not directly from the public, but from stockbrokers, banks, solicitors and other professional advisers.

Form with GARTMORE logo and application details. Includes fields for name, address, and investment preferences. Text: Fill in the coupon and send it now. To: Gartmore Fund Managers Ltd. 21, Mary Axe, London EC3A 8BP.

NEWS ANALYSIS—GROUP LOTUS

Express route to recovery

BY TERRY DODDsworth, MOTOR INDUSTRY CORRESPONDENT

COLIN CHAPMAN, racing car constructor, Grand Prix car manufacturer, and sports car manufacturer, has lived almost as dangerously in his commercial life as he has in his racing. To go from being a volume sports car producer, even in the headier climate of the 1950s, was a gamble which few would have taken.

But as the years have gone by, and competitors have founded, the gamble has become increasingly precarious. By the beginning of this year, Lotus was the only substantial sports car manufacturer in Europe—with the exception of the company that has survived the financial problems of the mid-1970s still independent and reasonably intact.

Lotus's skill in remaining afloat during 1974 and 1975 says a great deal for Chapman's skill in promoting the company and his unorthodox decision to prune staff well before the main impact of the oil crisis was felt in the market. Even so, it was clear that the company faced a bitter financial crisis than any it had experienced before (and there had been some) in its short, 15-year life.

The main problem was quite obvious. By 1976, when the world car market was sinking to the worst point in its depression, Lotus was in the middle of a radical model revision programme. Almost everything in the company was being changed, from the cars it made, to the ways in which it made them, and the components that went into them.

The programme was costing about £6m, cars were not selling, and interest rates were soaring. Lotus was on a classic financial crash course which resulted predictably in losses of £1.2m. in 1975.

Express International Banking Corporation and a new financial package to help Group Lotus through its current difficulties. The argument allows Lotus to retain its independence, and Chapman, fellow directors and families still in control of about 35 per cent of the equity. But it means, nevertheless, that Lotus, floated as a public company in 1968, has fallen under the shadow of a larger corporate umbrella from which it will be difficult to escape.

Central to the deal, under which Lotus gets a short-term loan of £2m, and overdraft facilities of £600,000, is the agreement that all capital investments in the company have to be vetted by American Express. In addition, the bankers have the right to put a director on the Board and to control dividend payments.

They have secured the loan by a debenture with a fixed charge over the majority of assets in the company, and an option of 10 per cent, on the identical basis, to have arranged a £250 management fee with the company while leaving the first five years of the loan to be repaid by the company. Lotus is also involved.

Any Bank insists that it has developed other options to help Lotus, but Lotus or even to use the name of the company in any way.

Thus the secret was set for the entry of the American

of the company, in fact, through its connections with American Express. Discussions with it last March, the bank, and Finance Bank and Finance Bank, which both rejected the offer to help it. The conclusion that from view of the market and product it was "future".

Undoubtedly, Lotus over the peak of phase of capital spending, now established market niche. The struggle should be to persist mainly in whether the product will stand up to what is in the market.

Mr. Chapman has a range which uses a common parts. The first base of the £250 management fee with the company while leaving the first five years of the loan to be repaid by the company. Lotus is also involved.

Any Bank insists that it has developed other options to help Lotus, but Lotus or even to use the name of the company in any way.

Thus the secret was set for the entry of the American

Vertical advertisements on the right edge of the page, including 'Tok', 'Leb after', 'Champion', and 'GRAMPIAN'.



on Bridge  
ities men  
itised

OVERSEAS NEWS

MF'S ANNUAL MEETING

onn, Tokyo reflation may be urged

BY MARTIN AND DAVID BELL

CERTAIN state of the economy and the need for resources to help countries adjust to new circumstances are expected to dominate the annual of the International Fund (IMF) which is way here this week.

Regular it is expected Johannes Witteveen, Director of the IMF, will take the opportunity of his meeting to urge West Germany and other developed countries to continue with their stimulus programmes. He may also criticise Germany for waiting before introducing a package.

The meeting, at which finance ministers from all the industrialised countries and most of the developing ones will be present, is also expected to take a close look at the problems of structural unemployment which are proving especially intractable in the U.S. and Europe.

These problems, and tentative growth targets for the developed economies next year are likely to be discussed in an informal "mini summit" of finance ministers which will take place alongside the IMF meeting. It will also present an opportunity for a review of progress made in implementing the decisions taken at the London economic summit in May.

WASHINGTON, Sept. 23.

No major decisions about the Fund's own business are expected at this meeting but there is likely to be intense discussion about proposals that there would be a seventh increase in the Fund's quotas. A German proposal about this, which would agree to 50 per cent quota increase in return for slightly greater Fund power in imposing loan conditions, is likely to be fiercely opposed by developing countries who believe that the Fund is already too "tough" on less developed nations.

The quota issue is also linked to the suggestion by some countries that there should be some re-alignment in the quotas of some members to reflect the greater—or lesser—financial muscle of these countries in the light of changing circumstances.

Terror arrest cheers Germans

BY ADRIAN DICKS

THE MIND of many helplessness in West Germany since the kidnapping of Dr Hans Martin Sauter 19 days ago is likely to be lifted considerably by the arrest of an alleged West German terrorist in the Netherlands.

Front-line gives qualified support to Rhodesia plan

BY QUENTIN PEEL

JOHANNESBURG, Sept. 23

THE ANGLICAN proposals for a constitutional settlement in Rhodesia were given vital qualified support today by the President of the so-called front-line states.

The fact that the presidents still have considerable reservations about the proposals must be some disappointment to Dr. Dayal Green, the British Foreign Secretary, and Mr. Andrew Young, UN ambassador of the capital of Maputo that the proposal "form a sufficient basis for further negotiations between the parties concerned."

However, the most important point for Dr. Owen and Mr. Young was to win broad support for their aim before they go to the UN Security Council at the appointment of a UN representative to be accorded to Rhodesia, to work in tandem with the British resident commissioner-Discernate, Lord Curzon.

istan of ice

rn in

AMERSON

ANABAD, Sept. 23.

A new Chief Justice, Anwar ul Haq, was today appointed by President I. Chaudhry, at the house in Rawalpindi. He will take effect on Thursday.

He will take effect on Thursday. The new oath of office is to be taken on Thursday night. He will support such a declaration even if the declaration also endorses Security Council Resolution 242, the UN's existing guideline for Middle East peace which the PLO has so far rejected.

Arafat offers compromise on key UN Mideast resolution

BY OUR FOREIGN STAFF

MR. YASIR ARAFAT, chairman of the Palestine Liberation Organisation, has said that he would support a new UN Security Council declaration on the Middle East if it took into consideration the Palestinians' right to return to their homeland and establish an independent state.

Mr. Arafat said in a TV interview recorded earlier this week in Beirut and broadcast in the U.S. on Thursday night that he would support such a declaration even if the declaration also endorses Security Council Resolution 242, the UN's existing guideline for Middle East peace which the PLO has so far rejected.

The PLO statement omitted all references to Resolution 242, which a previous council meeting had "expressly" rejected. Mr. Arafat writes from Tel Aviv: "There has been no official peace proposal from the Israelis. Mr. Arafat remarks on TV officials would only say that they saw the solution of the Palestinian problem in the creation of a Palestinian state in conjunction with Jordan and not in the creation of a separate state. Israel is expected to go to the Geneva talks, but would not object to Palestinians forming part of the Jordanian delegation."

Lebanon clashes resume after Yom Kippur lull

BY HSNAN HIJAZI

BEIRUT, Sept. 23

FIGHTING IN Southern Lebanon picked up momentum today after yesterday's lull, which was attributed to the Jewish Day of Atonement, Yom Kippur, which ended at sunset yesterday.

Saudis to cut back oil production

BY ANDREW WHITLEY

TEHRAN, Sept. 23.

SAUDI ARABIA has said it is to cut back oil production by some 700,000 barrels per day, approximately 8 per cent of current output. In an interview today with the official Iranian news agency, Pars, the Saudi ambassador to Tehran, Mr. Ibrahim Bakr, said the cutback would be made for the sake of maintaining the market price of oil. He gave no indication when the reduction would take place. The statement is believed to be the first official confirmation that Saudi Arabia is taking part in the OPEC production cuts now under way, to counter a surplus of crude oil in the West.

West Germany's GNP grows by just 3 per cent.

BY ADRIAN DICKS

BUNN, Sept. 23.

WEST GERMANY'S real gross national product grew at an annual rate of only 3 per cent, during the first six months of this year, the Federal Statistical Office reported today. It compared with 8.1 per cent growth during the first half of last year, and 5.3 per cent growth during the second half.

Namibia talks stress security

BY OUR OWN CORRESPONDENT

JOHANNESBURG, Sept. 23

TALKS on the future of Namibia (South West Africa) between the five western members of the UN Security Council continued today with the presentation to South Africa of detailed proposals aimed at leading to an internationally acceptable settlement in the territory.

Madrid newspapers go on strike

BY DIANA SMITH

IN WHAT is thought to be an unprecedented occurrence even in Spain, Madrid newspaper is on a 24-hour strike.

Grampian profit growth waits construction upturn

Profit before tax for the half year is £1,138,000 against £1,410,000 for the corresponding half year in 1976. The downturn in Industrial Services is attributable to those companies involved in the construction industry. The improved position in Printing and Publishing is expected to continue as is the growth in the Consumer Goods division. A current projection of the second half year would indicate a profit no greater than that of the first period.

The unaudited results of the Group for the half year to 30 June 1977

	Half year to 30 June 1977 £000	Half year to 30 June 1976 £000	Year to 31 Dec 1976 £000
up Sales	31,736	26,822	59,220
ts from trading:			
DUSTRIAL SERVICES	447	999	1,891
NSUMER GOODS	799	641	1,446
INTING AND PUBLISHING	1,246	(174)	(300)
nt and debt interest, rent Company and other penses	137	100	329
are of profits of associated mpanies	29	44	103
it before taxation	1,138	1,410	2,811
ation (estimated at 52% for 1977)	592	733	1,390
ority interests	4	28	50
ct: extraordinary items	542	649	1,371
it after extraordinary items	542	591	1,079

Notes: (a) The interim dividend of 6% will absorb £152,302. (b) The results for the half year to 30 June 1976 have been adjusted to incorporate as Extraordinary Items £121,000 of costs (£58,000 after tax relief) similarly disclosed in the year to 31 December 1976.

GRAMPIAN HOLDINGS LTD. Stag House, Castlebank Street, Glasgow G11 6DY

Agreement on Antarctic resources guidelines near

BY PAUL CHEESERIGHT

REPRESENTATIVES of the 12 Antarctic Treaty powers meeting in London are moving towards an agreement on voluntary guidelines to protect the marine resources of the area.

The chairman of the ninth consultative meeting of the Treaty powers, Mr. George Hall, said yesterday that a model for such an agreement could be the 1972 Convention for the Conservation of Antarctic Seals, which is a self-policing measure. Mr. Hall added that there had been no discussion at the present meeting of measures to police any conservation measures which might be agreed, nor were such measures on the agenda.

Agreement on Antarctic resources guidelines near

BY PAUL CHEESERIGHT

THE PARTICULAR concern is the fishing of krill, a crustacean which is rich in protein. There has already been limited attempts at commercial exploitation, while international bodies like the Food and Agricultural Organisation have sought to play a role in controlling the resources.

Faced with such outside pressures, the Treaty powers are seeking a régime of controls for Antarctica's resources which will preserve the continental ecosystems without opening political disputes over territory which are difficult to solve. A working party on marine living resources starts work next week. Meetings of a mineral resources group, seeking to establish the extent of the continent's wealth and at the same time report on the feasibility of work leading to exploration and exploitation—by, presumably, a future generation—have already taken place.

Pope backs U.K. policy on Ulster

BY DOMINICK J. COYLE

ROME, Sept. 23.

MR. JAMES CALLAGHAN, Communist Party in Italy, said today that the Pope's support for the British point of view, the Pope's references to Rhodesia and Northern Ireland were considered to be the most positive part of the exchanges.

Agreement on Antarctic resources guidelines near

BY PAUL CHEESERIGHT

REPRESENTATIVES of the 12 Antarctic Treaty powers meeting in London are moving towards an agreement on voluntary guidelines to protect the marine resources of the area.

The chairman of the ninth consultative meeting of the Treaty powers, Mr. George Hall, said yesterday that a model for such an agreement could be the 1972 Convention for the Conservation of Antarctic Seals, which is a self-policing measure. Mr. Hall added that there had been no discussion at the present meeting of measures to police any conservation measures which might be agreed, nor were such measures on the agenda.

Agreement on Antarctic resources guidelines near

BY PAUL CHEESERIGHT

REPRESENTATIVES of the 12 Antarctic Treaty powers meeting in London are moving towards an agreement on voluntary guidelines to protect the marine resources of the area.

The chairman of the ninth consultative meeting of the Treaty powers, Mr. George Hall, said yesterday that a model for such an agreement could be the 1972 Convention for the Conservation of Antarctic Seals, which is a self-policing measure. Mr. Hall added that there had been no discussion at the present meeting of measures to police any conservation measures which might be agreed, nor were such measures on the agenda.

**AUSTRALIAN EUROPEAN FINANCE CORPORATION GROUP**

Merchant bankers operating in Australia and overseas, particularly Asia and the Pacific Basin.

**Our Services**

- corporate lending for short and medium terms in Australian and foreign currencies for A\$0.5 to A\$5 million.
- syndications of credit facilities for larger amounts.
- money market dealings within Australia.
- financial advisory services for companies already operating, or considering operations, in Australia.

**Financial Highlights for 1976/77**

- record pre-tax profit of A\$2.7 million, up 29% on 1975/76.
- increase in group assets plus loan commitments of about A\$40 million to A\$205 million (up 24% on 1975/76).
- increased dividend rate—from 6% p.a. to 8% p.a.

Shareholder banking etc—

**COMMONWEALTH TRADING BANK OF AUSTRALIA**

**BNP**  
BANQUE NATIONALE DE PARIS

**ALGEMENE BANK NEDERLAND NV**

**BANCA NAZIONALE DEL LAVORO**

**DRESDNER BANK AG**

**Enquiries in Australia**

Melbourne—Denis Male  
Victoria Manager  
P.O., Box 157,  
Collins Street, Vic. 3000

Sydney—L. G. C. Moyls  
General Manager  
Box 3812, G.P.O.,  
Sydney, N.S.W. 2001

Telephone: 62 4417  
Telex: AA30327

Telephone: 231 4911  
Telex: AA22554



Changed circumstances with a strong pound, rising official reserves, and falling interest rates

Mr. Healey at the IMF: Britain as a model borrower

BY PETER RIDDELL, Economics Correspondent

A reversal of sentiment

THE WEEK has seen a remarkable reversal of sentiment in the financial markets. The equity market, which pushed up with such speed in an all-time record ten days ago, has been indulging in a perhaps necessary reappraisal after a series of rather disappointing profit figures had administered a sharp reminder of how far we have yet to go in solving our problems.

Piling The market is convinced that foreign, and especially American buying is the real driving force, but some British investors are also piling in. Much of the buying interest is concentrated on the stocks issued before the recent Treasury decision to end the exemption of Government stock from withholding of U.K. income tax for foreign holders.

Fundamentals Certainly an essentially speculative run into gilts does little to alter the economic fundamentals which the market must in the long run reflect: and while there is a growing case to be made for a moderate optimism, little has happened in recent weeks to justify euphoria.

What the markets are reflecting is not only an improvement in our economic prospects, and notably the encouraging start to the post-social contract round of wage bargaining, but also the fact the authorities have quite deliberately encouraged the gilts market to become more volatile. The process started with the first issue of part-paid stock, and is now reflected in the management of them in

MR. DENIS HEALEY, the Chancellor, has been in ebullient mood in the past week—all the way from the EEC Finance Ministers in Brussels to the beaches of Barbados—as he prepares for the annual meeting of the International Monetary Fund, the preliminaries of which start in Washington on Friday.

For a start, Mr. Healey is actually attending the IMF meeting this year, unlike last September when he was forced to make a humiliating turnaround at Heathrow Airport at the last moment and go back to the Treasury. This followed a sharp fall in sterling which led the next morning, to a hurried approach to the IMF for its largest-ever standby loan of \$3.9bn.

Moving into surplus When Mr. Healey makes his major speech to the IMF meeting on Tuesday he will appear as the representative of almost the model borrower from the Fund's point of view—with none of the actual or potential difficulties which are faced by Italy and Egypt.

After taking an appropriate bow at this point, he may then become rather more guarded and cautious. The view of the Treasury is certainly that it would be rash and premature to behave as if the U.K. economy was in rude health so soon after last year's collapse of confidence. Consequently Britain should be given more time to recover and should not be treated immediately as a major creditor country.

Moreover the stabilisation programme and monetary squeeze required to turn round financial confidence and markets have had their costs. The level of economic activity, as measured by Gross Domestic Product, fell during the first half of the year with retail sales the lowest for five years and overall output is not expected to grow by much more than 1 to 1.4 per cent during 1977 as a whole.

immediate future although this option could come to the fore quickly.

The review of policy guidelines for 1978-79 will involve a translation into firm ceilings of the aims and broad forecasts for the period included in last December's Letter of Intent. The current view is that the revised ceilings would not be a barrier to any likely reflationary package, though the exact position on the borrowing requirement will not be known until early November when the new Treasury forecasts are available.

Longer-term support Ministers have not so far given much indication about the composition of any package but public spending measures, including the restoration of some cuts in capital spending to aid the construction industry, look probable.

The Chancellor is committed to shifting the tax burden from direct to indirect taxes. Consequently an across-the-board reduction in VAT is unlikely although a stimulus to consumption might be given via a change in hire purchase controls.

Both the Prime Minister and Mr. Healey have recently been dropping increasingly explicit hints about reflationary action—starting later this autumn—which, in the Chancellor's words, should be "steady and continuous rather than sudden and too late".

Volume of spending Economists are divided in their views about the desirability of reflation. Some believe that the economy is starting to pick-up anyway, as shown by the revival in retail sales in the past two months, and that a large stimulus now would merely increase inflationary pressures.

British Ministers have been prominent in expressing concern at the implications of this slowdown for unemployment in almost all the industrialised countries, apart from the U.S., and in urging a continued commitment to specific growth targets by the stronger economies.

A major test of any package will be how far it stimulates business confidence to produce



Mr. Denis Healey has a swim at the Commonwealth Finance Ministers meeting in Barbados before taking the plunge in Washington.

West Germany reaffirmed its commitment to a 5 per cent growth rate in 1977, but now looks likely to achieve at best a rise of about 4 per cent, while in Japan growth may be about 5 1/2 per cent rather than the 6.7 per cent target, according to July estimates by the Organisation for Economic Co-operation and Development. In the U.S., economists are undecided whether the slowdown in growth during the summer from the earlier high rate is merely a pause before renewed expansion or whether it represents a more fundamental change.

Any likely package of reflationary action would probably only be enough to raise the projected rate of economic growth for 1978 from about 2 1/2 per cent on present policies to a level where the Government may be able to offer the prospect that unemployment will stop increasing some time in 1978.

The German and Japanese Governments have recently introduced reflationary packages. It is arguable that the existence of the May summit commitments was at least one reason for their actions.

Much will depend on the rate of growth of exports—which are the only significant source of expansion this year—and are expected to continue to increase fairly fast in 1978. Even though the U.K. has for once been increasing its share of overseas markets, the rate of growth of exports, and of the economy as a whole, is bound to be affected by the slackening in the rate of growth of world trade.

British Ministers have been prominent in expressing concern at the implications of this slowdown for unemployment in almost all the industrialised countries, apart from the U.S., and in urging a continued commitment to specific growth targets by the stronger economies.

The faltering in activity in the main industrialised countries has been highlighted by the failure to meet the targets set in London. At that meeting,

There are, however, few signs that the corresponding deficits in the rest of the world are

Price riots

The financing problems has created for the developed economies, not the Mediterranean, as we have been met in part by the May summit commitments was at least one reason for their actions.

Export growth

Much will depend on the rate of growth of exports—which are the only significant source of expansion this year—and are expected to continue to increase fairly fast in 1978.

Windfall boost

All this ties in with the continuing debate about the world imbalance of current account deficits and surpluses. The surplus of the oil-producing countries is still running at around \$40bn a year and the view in London is that it will not be significantly reduced for some time.

Letters to the Editor

Energy From Mr. G. Shears. Sir—Mr. Martin Lewis's letter (September 20) contains a number of assertions which I feel are contrary to fact, or at least unlikely by extrapolation based on experience.

He states that it takes a fairly highly developed economy to be able to use the sort of power that nuclear reactors produce. Nuclear reactors produce electricity in this context, which is surely next to food in order of necessity to developing countries; the very large units result from size economies but there may be scope for smaller packages containing turbo alternators well below 600 MW capacity.

Hydroelectric possibilities occur by geographic accident and may not be viable without the real or financial convenience of associated irrigation or flood control: pumped storage is a sophisticated form of the waste of urban electricity loads.

Values From Mr. B. Measham. Sir—August 1977 is now filed away in the financial records as the month and marked as the birth of our "Record 1977m. trade surplus," and fac-

opinion, and I suspect thousands of our fellow countrymen being, exceeding in numbers the total trade union membership, have no one to turn to to protect their interests, except the local MP, who, except in minor matters, is often helpless against an entrenched bureaucracy.

This country has no written constitution (a fact of which we continually boast) and the argument runs that unless a "constitutional" issue is involved, the use of a referendum is improper. The need to contract out compulsorily, for it is by deduction of the political levy from workers' pay that the trade unions obtain the bulk of their funds, is a "constitutional" issue to which I am confident the majority of electors object (including some members of trade unions), but we can do nothing in a situation in which trade unions have power to make or break Parliaments of whatever political colour.

Service From Cynthia and Peter Benson. Sir—After reading Mr. W. F. Richardson's letter (September 17) we agree with his remarks wholeheartedly.

As the owners of a village store we aim to combine self service and counter service. The choice is then up to the individual. Our staff, and ourselves, are happy to help. We feel that a smile and a chat give a relaxed atmosphere which is enjoyed by both types of shopper. Our customers are our friends—and our livelihood!

Premium From Mr. A. Adams. Sir—How one must have sympathy with Mr. Wilson who

be regarded as an ordinary investment. No doubt your MP readers will hope not to receive appeals for help from bondholders who have gone a mere year without receiving a prize—even in the case of those with a full complement of Bonds.

Prizes From Mr. R. Richards. Sir—in reply to the queries of N. W. Wilson (September 21) concerning premium bonds—with a joint stake of 4,000 eligible bonds held for a year and a bond-office prescribed 1-in-10,000 chance per £1 eligible bond of winning any prize at all in a month, the probability of winning no prize at all in a year is (1 - 1/10000)^12 which is approximately 0.0117.

Ernie From the Director of Savings, Department for National Savings. Sir—I can assure Mr. N. W. Wilson (September 21) that the prize-winning chances of Premium Savings Bond holders are completely unaffected by the conversion of the office records to computer working which is in progress (and which he refers to as "office reorganisation").

Cars From the Director-General, Motor Agents Association. Sir—I was delighted to read the announcement by the Society of Motor Manufacturers and Traders that they have appointed a customer relations adviser to champion the cause of disgruntled new car buyers.

Mr. Wilson seems to be under the misapprehension that it would be possible for valid bond numbers to be "left out of draws." This is not so. Bond numbers do not have to be "fed into" Ernie for each draw, and

Hoare Govett talks to the private investor

In addition to our services for corporate and institutional clients, we also offer a personal service to private clients for portfolios of varying sizes.

Our Private Clients Department has access to the same expertise and extensive research facilities available to our corporate clients, which we provide without a management charge.

For further information, write to R. West, Director in charge of Private Clients, at the address below.

Hoare Govett Ltd, Heron House, 319a High Holborn, London WC1V 7PB



# Money to make music

BY ANTONY THORNCROFT

On concert season got it can be associated with a Fairly this week, and it field Hall appearance; for £900 four major London it can be associated with a Fairly—the Philharmonia, field Hall, Croydon appearance; Symphony, for £900 it can receive four seats Philharmonia and the for each of the Festival Hall con- Philharmonia—more de- certs, and for another £800 have than ever—upon a page of advertising in their sponsorship to programme. Indeed a full com- mitment of £1,500 qualifies for the title of a corporate member of the orchestra. The packages have already led to Beecham, as raising its help Kodak, Marks and Spencer, the £25,000 for this Green Shield and many more, and that it has also Green Shield and many more, on a further £35,000 underwriting the RPO in 1977-78.

Even with industrial help the Royal RPO will do well to break even in November 1977-78. Last season, on a one of the great days turnover approaching £950,000, me, Birgit Nilsson, there was a small deficit. All alone must be close the orchestras have to fight hard roughly Wilkinson's £9,000 in the black on a turn- over of £1.1m, but it actually forecasts a loss this season of £1.2m.

The basic problem is that, here is in a theatre compared to the competitors in other capital cities, the four London orchestras receive very little public cash. This season they will share £745,000, given by the Arts Council and the Greater London Council, and just one year and they play in London. This money represents only 15-20 per cent of turnover. In contrast the Berlin Philharmonia receives over 70 per cent of its revenue from public funds, and the RPO's 33 per cent of its revenue from public funds, and the Orchestra de Paris even

more. To make ends meet the London orchestras have to undertake other work, mainly recording sessions.

Fortunately London remains the world centre for classical music recordings, although East Germany is making a strenuous, cut-price, effort to capture the custom. One of the Big Four orchestras can hope to receive around a third of its revenue from recording or television work and this is very profitable, cost in working hours and effort.

All the orchestras do well over 500 sessions a year, far more than comparable foreign orchestras, or members of contract orchestras, like the BBC Symphony. In addition the musicians, who run the orchestras in a broadly democratic way, have the opportunity for extra freelance work. As a result, a principal player can earn £10,000 or more a year, and a Rank and file member £7,000.

This is one of the criticisms of the profession of orchestras in London—their members have to work too hard to make a living. Another is that they concentrate on "safe" orchestras, a third of an orchestra's time is spent performing in London to earn its subsidy, which is linked to specific concerts.

But, even with the subsidy, concerts at the Festival Hall rarely make money. This is particularly true if a new, or costly, work is performed, which can easily lose £5,000 on the concert. There is therefore great financial pressure on an orchestra to concentrate on playing Beethoven or Tchaikovsky with a good, but relatively inexpensive, conductor and soloists, in the knowledge that the hall will be almost full and that the concert will just about break even.

The London Orchestra Concert Board, which superintends the public subsidy, does provide extra cash for the orchestras to perform a few experimental works during the season, and sometimes industrial backers can be persuaded to support a concert that might be big in prestige if not in attendance. But in the main sponsors like packed audiences, and looking at the programme for 1977-78 there are very few new or "difficult" works on the bills, although composers like Shostakovich and Nielsen, who would have been certain loss-makers a few years ago, have now built up reasonable support.



Antal Dorati (left) of the Royal Philharmonic and André Previn of the London Symphony Orchestra.

## ABOUT NEWS

### Improved radio pay averts strike

NE CLARK

The first national week by workers in 19 inde- stations were sent a day by union employers failed to deadline for a pay letter in union st night employers. by the Association of Radio Contractors. A better offer agreed to early improved offer, with y of a productivity is expected next l then the unions added" their strike the two unions Association of Staff and the

### Granic struggle will n, says APEX

GARNETT, LABOUR STAFF

Under regulations enshrined in the Employment Protection Act, this would mean that ACAS, with a Section 11 claim still on the table, would have to conduct for collective bargaining at the north Lon- y, whatever the rds ruling on the also denied that ny preparations to is, dispute. The company has so far said that it is prepared to recognise unions for individuals, but has refused to specify whether it will allow them to bargain for "groups" of workers.

Following a series of meetings with unions involved in the supply of materials and services to the North London film processing company, Mr. Grantham said yesterday that a number of committees are being formed to oversee a range of industrial action designed to starve the company of materials.

The prospect of union co-operation against the company's essential services seems remote, although it is likely to be discussed at the TUC General Council meeting on Wednesday.

### Bridge inspectors set problem for Leyland

LABOUR STAFF

EMS faced British erday when 500 t Birmingham's plant threatened in support of claim.

Industrial action start on October form of a strike, the Mini and the be severely hit, spect of thousands side idle.

ors, who work in assembly areas, at their demand 3-week upgrading been rejected by

the inter-union row at the Rover plant in Solihull.

The engineering union claims there has been discrimination against its members during recruitment for the assembly lines.

Mr. Jack Jones, general secretary of the Transport and General Workers' Union, said yesterday that incentive schemes should be introduced at British Leyland immediately.

He was amazed that they were not higher up the company's list of changes in its bargaining structure pending between unions.

More meetings between unions and management are expected next week to try to reach agreement on a new structure.

## Mackie sanctions angers MPs

BY RUPERT CORNWELL, LOBBY STAFF

THE GOVERNMENT faced a barrage of criticism last night from both ends of the political spectrum over its decision to take sanctions against James Mackie, owner of the Belfast textile machinery manufacturer which has breached the pay guidelines.

The Department of Trade confirmed yesterday that it had refused applications for export credit guarantees from the company as punishment for its refusal to reconsider a 22 per cent rise awarded 4,000 workers from August 1.

Labour and Tory MPs alike condemned the step, describing it as "immoral" and "madness" and "a deliberate attempt to change its mind, with widespread resentment at Westminster that a relatively small employer has been picked upon when larger companies, it is claimed, have slipped through the net.

Flexible

Mr. Norman Lamont, a Tory industry spokesman, called the department's behaviour "wholly unjustified and iniquitous," at a time when the proclaimed intention of pay policy was to escape completely rigid ceilings.

With other Conservative MPs he also wondered whether the Government, in acting against one company, had not acted beyond its powers, or at least against the spirit of the law.

Mr. Neil Kinnock, a prominent Labour MP, urged the Government to be flexible, stating that economic policy should encourage production and sales. "Any part of policy which contradicts that is bound to be counter-productive," he said.

Nevertheless, the charge was laid down that the Cabinet means to hold firm in its battle to persuade other employers from breaching its 10 per cent pay norm.

Mr. Joel Barnett, Chief Secretary to the Treasury, warned that pay settlements of 22 per cent throughout industry would be a national disaster, leading to runaway inflation and lower exports. It was in the workers' interest to stop them, he said.

Giles Merritt writes: At the Northern Ireland Office ministers were waiting to see whether the Government's action had averted the threat of concerted union demands in Ulster for big wage increases.

It became clear that the unions do not consider that Mackie has been defeated by the Government's sanction, as it stands by its pay deal and is reported to be looking for alternative export insurance.

The Mackie management's refusal to climb down, coupled with the staunch union support it has received, is producing speculation that Northern Ireland will see a widespread revolt by both unions and employers against the 10 per cent ceiling.

The Mackie confrontation was followed yesterday by serious unrest at Standard Telephones and Cable, which now has 1,200 men at its Monkstown plant, near Belfast.

30% claim

The layoffs came after an unofficial strike that began on Wednesday by 400 members of the Amalgamated Union of Engineering Workers, in support of a 30 per cent pay award.

There are also fears that the State-owned Short Bros. and Harland aerospace concern is about to be hit by industrial action over a 30 per cent claim. The company is negotiating the 10 per cent guidelines.

Some important question mark hangs over a dozen more Ulster engineering companies where, according to Transport Workers' leaders, claims range from 15 to 40 per cent.

## More airlines join cheap fares battle

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

TWO MORE airlines, El Al of Israel and Air-India, yesterday began selling cheap (£84) Stand-by single tickets between London and New York, and a third airline, Iran Air, starts selling them on Monday.

These airlines join the existing "big three" (British Airways, Pan American and Trans World Airlines) already offering Stand-by seats on the route. Between them, these six airlines can offer at least 12 flights a day between London (Heathrow) and New York, rising on some days to 13 flights, on all of which some Stand-by seats are likely to be available.

The six airlines, all members of the International Air Transport Association, have London-New York traffic rights. They are limited by IATA agreement to a maximum of 2,900 cheap-fare seats each way every week, divided as to 700 each for British Airways, Pan Am and TWA, with the remaining 800 divided between El Al, Air-India and Iran Air.

By comparison, Laker Airways' Skytrain, which starts flying on Monday from Gatwick, can offer 345 seats a day each way, or 2,415 seats each way weekly, at peak season.

the slightly cheaper rate of £58 single.

So far this week, the IATA airlines between them have sold more than 1,000 Stand-by tickets.

The airlines now joining in the cheap fares battle have been enabled to do so by the changes in the rules governing those fares made by the Civil Aviation Authority last Thursday.

Until then, Stand-by tickets could be sold, and the passengers booked in, only outside the boundaries of Heathrow. This meant that only the "big three" could sell those tickets, because only they had the big town terminals with check-in and bus facilities to the airport.

The CAA has now said that the tickets can be sold, and passengers checked in, at the airport as well as in town. This immediately opens the way for El-Al, Air-India and Iran Air to join the Stand-by boom.

Laker Airways may be given rights to run cheap-fare flights between the U.K. and Australia. A parliamentary committee in Canberra recommended yesterday that Laker be given permission to offer a SA583 (£389) Sydney-London return Advanced Booking Charter fare in the off-peak season.

## Broadcast

This is where the BBC scores. All its concerts are broadcast and with more extensive resources it can afford to play new compositions—in recent weeks it has premiered in the U.K. *The Rest of Me* by Henze and *Coro by Boris* at the Proms. But even the BBC is not free from financial restraints. Its orchestra for younger musicians, the Academy, disappeared in June, even though the BBC was prepared to accept industrial help to keep it alive, but it got none.

A much-touted solution to the perennial financial plight of the London orchestras is that one of the four should disappear. It is remarkable that London can support four world-class orchestras, but in the immediate future this situation is likely to continue. No orchestra is going to disband willingly, and if a deficit became too high the chances are that an industrial sponsor would rally round. For many years now W.D. & H.O. Wills has greatly helped the LPO; Peter Stuyvesant the NSO; and L. & G. the RPO. The Phil-

## Economic Diary

TUESDAY—Major speech expected by Mr. Denis Healey, Chancellor of the Exchequer, at 10.30. Washington Formal opening of Liberal Party Assembly, Brighton, with speech by Mr. David Steel, Liberal Leader.

WEDNESDAY—Downing Street meeting between Mr. James Callaghan, Prime Minister, and Mr. Jack Lynch, Eire Prime Minister, for talks on Northern Ireland. Labour Party national executive meets. TUC general council meets. Laker Airways

operation for sale of cheap Stand- by and first flight of Laker Skytrain from Gatwick to New York. Increase in some bread prices. Retailers' agreement comes into effect to limit profit margins on big selling lines of instant coffee. Mr. William Rodgers, Transport Secretary, opens International Symposium of European Conference of Ministers of Transport, Imperial College, London. Mr. A. Wedgwood Benn, Energy Minister, opens National Energy Ministers' Conference, Exhibition Centre, Birmingham.

## TODAY—Meeting of EEC Finance Ministers in Washington prior to election of chairman at meeting of Interim Committee of International Monetary Fund, which convenes in advance of the IMF and World Bank annual meetings. Sixteen-month trial period ends for Concorde landings in the U.S. MONDAY—IMF and World Bank annual meetings open in Washington. Liberal Party Assembly, Brighton EEC Agriculture and Fisheries Ministers begin two-day meeting. Brussels. Quarterly analysis of bank advances (mid-August). National union officials in talks on dispute of production workers at British Leyland's Lanchashire bus and truck factories. New rules in

## Australian charter service application hearing. Civil Aviation Authority, London.

THURSDAY—Liverpool municipal bus strikers meet. Meeting of strikers at the Lanes-hire bus and truck factories of British Leyland. Mr. Jack Lynch, Eire Prime Minister, meets Mrs. Margaret Thatcher, Conservative Leader, at Irish Embassy, London.

FRIDAY—Ford pay talks resume in London. Mr. Jack Jones, general secretary, TAWU, at Freight Transport Association conference, Grand Hotel, Eastbourne. National Union of Journalists executive meet to discuss TUC pay guidelines.

## A new unit trust from Henderson

# Cabot Extra Income Unit Trust

## 10% PA.

**Estimated starting gross yield PAID QUARTERLY**

**TO BUY UNITS**

Ask your professional adviser whether you should consider an investment in this new extra income unit trust. You can invest through him or direct by using the coupon below.

This offer of units is made at a fixed price of 50p and will close on 14th October 1977 or earlier at the Manager's discretion. Units will be available after the offer closes at the price quoted in the daily press.

Unit Prices and yield will be published daily in leading newspapers.

**ADDITIONAL INFORMATION**

Commission of 1% will be paid to successful agents. No initial charge of 5% is included in the offer price. An annual charge of 1% plus VAT of the value of the trust is deducted from gross income to cover administrative costs.

To sell units, endorse your unit certificate and send it to the Managers. Payment will normally be made into your working bank account.

Contract notes will be issued and unit certificates will be forwarded within six weeks of payment.

Trustees: Williams & Glyn, Bankers, London. Managers: Henderson Unit Trust Management Limited, 1 Austin Friars, London EC2A 2ED (Registered Office).

**HENDERSON ADMINISTRATION**

Investments in Cabot Extra Income Unit Trust are managed by Henderson Administration Limited, an investment management company established in the City for 40 years and now managing funds, including the Henderson Unit Trusts, approaching £250m.

**GROWTH**

Cabot Extra Income Unit Trust will have a wide ranging portfolio invested in shares of carefully selected U.K. companies. With inflation running well into double figures, many investment advisors acknowledge that, over the longer term, the overall return offered by the spread of high yielding shares is likely to prove more attractive than many fixed interest investments.

Profits of many U.K. companies are now moving ahead strongly and it is likely that the Government will increasingly regard a healthy and profitable private industrial sector as an important part of its economic strategy.

Remember that the price of units and the income from them can go down as well as up.

You should regard your investment as a long term one.

**QUARTERLY INCOME PAYMENTS**

Cabot Extra Income Unit Trust has been designed for those who require a high and regular investment income. Distribution will, therefore, be made once a quarter on:

1st February, 1st May, 1st August, 1st November.

The first distribution will be made on 1st February 1978.

**SHARE EXCHANGE SCHEME**

Our Share Exchange Scheme provides a favourable opportunity to switch into this Unit Trust. For details please tick box or telephone Christopher Burrows our Share Exchange Manager on 01-583 3622.

A member of the Unit Trust Association. Reg. No. 85953

This offer is not available to residents of the Republic of Ireland.

**Henderson Unit Trust Management**

To Henderson Unit Trust Management Limited, Dealing Dept., 5 Ryleigh Road, Hutton, Brentwood, Essex CM13 1AA. Telephone enquiries 01-583 3622.

I/We wish to buy \_\_\_\_\_ units in Cabot Extra Income Unit Trust at the fixed price of 50p per unit (minimum initial investment 1,000 units).

I/We enclose a remittance of £\_\_\_\_\_ payable to Henderson Unit Trust Management Limited. After the close of this offer units will be available at the daily quoted price.

Surname: Mr. Mrs. Miss \_\_\_\_\_  
BLOCK CAPITALS PLEASE  
Christian or First Name(s): \_\_\_\_\_  
Address: \_\_\_\_\_

I/We declare that I/we are not resident outside the Scheduled Territories and that I/we are not acquiring the units as the nominee(s) of any person(s) resident outside these territories.

Signature(s): \_\_\_\_\_  
(If users account applicants each must sign and attach name and address separately.)  
Date: \_\_\_\_\_



COMPANY NEWS + COMMENT

Ward White over £1.3m. after six months

MANUFACTURERS OF footwear, electrical and mechanical engineers, Ward White Group reports a continuing recovery with first half 1977 pre-tax profits up from £497,000 to £1,363,000 on sales of £28.8m. against £22.9m.

Given reasonable retail trade in the autumn Mr. George McWatters the chairman is optimistic that activity levels can be maintained and full year results will show a substantial improvement on those in 1976 when the group came to £1.3m.

First half basic earnings are shown to have jumped from 2.7p to 8.13p per 25p share and fully diluted from 2.25p to 7.45p. The interim dividend is doubled from 0.5p to 1.0p. Last year final payment was 1.1p.

DIVIDENDS ANNOUNCED

Table with columns: Company, Current payment, Date of payment, etc. Includes entries for Glanfield Securities, Grampian Hldgs., Southampton L.O.W., South Walker, Ward White, and Whatman Recve.

Hill Samuel venture in S. Korea

Hill Samuel, the London merchant banking group, is taking a stake of just over a fifth in a new merchant bank being set up in South Korea in partnership with Korean and Japanese interests.

£0.3m. so far from Clyde Petroleum

Reflecting a substantial fall in turnover from £33.9m. to £4.92m. pre-tax profits of Clyde Petroleum rose to £29,000 for the first half compared with £8,17m. for the previous 12 months.

with sales for the first quarter 23 per cent. higher than last year. Unitech began well in 1976-77 ending with profit before tax well ahead at a record £21m. compared with £14.4m. previously.

Grampian drops at six months

ON SALES increased from £24.82m. to £31.7m. pre-tax profits of Grampian Holdings declined from £1.4m. to £1.1m. for the first half of 1977.

Southampton IOW Steam Packet

Profits for the first half of 1977 at Southampton IOW Steam Packet rose to £25,074 compared with £48,438. However, the directors say that, subject to present trends continuing, they hope that 1977 profits will not be greatly different from those of 1976 when profits came to £466,389.

Thomson Publications

Thomson Publications has formed Thomson Books to coordinate the activities of its publishing subsidiaries within the U.K. and overseas.

Glanfield Secs. Record seen at Unitech after strong opening

Pre-tax profit of Glanfield Securities increased by £29,211 to £11,467 in the year ended March 31 1977, in line with the directors' half year prediction of little change from the previous year's.

Newey reduces midway deficit

Smallware manufacturers Newey Group reports a reduced pre-tax loss of £2.5m. for the first half of 1977, from £11,767, to £6,555 on turnover of £9m 128,96m. in £7,96m. Loss for the whole of 1976 was £58,819.

Results due next week

The construction and related industries are to the fore in next week's results. Led by Wimpey and J. Laing, the results are mostly from companies with below average overseas interests and thus reflect the depressed domestic scene.

Forecasts for Fisons have been pegged back because the company drew attention to disappointing results in fertilisers and agro-chemicals at the time of the bid for Gallenkamp. The wind and rain in the first half depressed demand for these products and fertilizer makers in particular had difficulty in getting price rises to stick.

Thomson Publications

Thomson Publications has formed Thomson Books to coordinate the activities of its publishing subsidiaries within the U.K. and overseas.

Mr. Cornfeld gets cold shoulder from Global

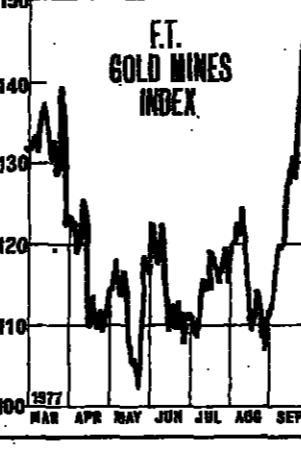
MR. BERNARD CORNFELD, the legally complex ruins of IOS, founder of the ill-famed IOS investment empire, was the star attraction at yesterday's annual meeting of the Global Natural Resources Enterprises, a company formed in 1970 to take over vast tracts of arctic land and other assets once owned by the IOS Fund of Funds.

But despite the number of autographs demanded and photographs taken Mr. Cornfeld was unable to make his much-heralded comeback into the company's affairs. Despite having his bearer shares in Global with him the former financier was not able even to vote at the meeting because he had not deposited them with the company in advance.

MINING NEWS

Gold continues to climb

THE BOOM in gold shares—in transatlantic, Continental, South African and U.K. markets—continued unabated yesterday. The accompanying chart shows that its dividends and earnings for the year to June 30 will be unchanged if the present gold price is maintained.



BIDS AND DEALS

O. C. Summers agrees London & European bid

London and European Group has agreed terms for the takeover of the 68 per cent of O. C. Summers. It does not already own 10 per cent of O. C. Summers. Summers is a civil engineering and public works contractor, now being offered 50p cash per share.

CRANE REJECTS FRUEHAUF

Crane Fruehauf, through financial advisers Merchant Bank, has bid for Fruehauf. Crane Fruehauf is a subsidiary of Crane and describes Fruehauf as a 'deplorable' company.

MEPC

Meetings of holders of the Fund Properties bid on September 22, approval of the bid was given.

SUMNER'S £1.7M. SALE TO DAVY

The Boards of Francis Sumner (Holdings), Davy International and Herbert Morris have reached agreement on the sale of Sumner's £1.7m. stake to Davy.

Mono now recommend higher Autobar offer

The Board of Mono Containers, the food container group which has been the subject of two takeover bids, has recommended a higher offer from Autobar.

HARTLE CHIEF SHARE SALE

Mr. Derek Harde, chairman and chief executive of Hartle, has sold 500,000 shares, representing 11.36 per cent of the company's issued capital.

MIDLAND DRAYTON

A return of 13.32 per cent is available off investment in Midland Drayton High Yield Unit Trust, whose units are now on offer to those with a minimum of £200 to put by.

M & G RECOVERY

That regular chart topper, M & G Recovery Fund, is this week on offer to investors prepared to make regular savings of upwards of £10 a month.

LAWSON HIGH

Units in the Lawson High Yield Fund are on offer this week to yield an estimated 10.8 per cent. The fund, which invests in a mix of income shares of investment trusts, aims to provide a high and increasing income.

ARBUTHNOT HIGH

Investors seeking income are offered an estimated initial gross yield of 9.8 per cent. by Arbuthnot High Income Fund. The fund, which invests in a mix of income shares of investment trusts, aims to provide a high and increasing income.

NATWEST

National Westminster Unit Trust Managers are offering investors with at least £2,500 to invest in the National Westminster Portfolio Investment Fund. This aims at providing overall growth in capital and income by investing in a wide range of high class equities, principally in the U.K. and the initial estimated gross yield is 4.43 per cent.

Table of dividends for various companies including Glanfield Secs., Unitech, Thomson Publications, Hill Samuel, etc.

Table of dividends for various companies including Hill Samuel, South Walker, Grampian Hldgs., etc.

Advertisement for Clive In, a financial service, and other promotional text.



SUMMARY OF THE WEEK'S COMPANY NEWS

Over bids and mergers

struggle for control of Redfearn National Glass was frozen last week by the decision to refer to the Competition Commission both the partial bid from Rheem Interiors and the full offer from the Rockware group. This movement followed hard on the heels of Rockware countering International's partial offer of 300p cash per share and shares offer worth £19.5m.

Shaugh and Dundee Investment announced that it had a bid approach. Recent speculators in Wilmot-Bredford might be the hope by news that the recent acquisition of Donald's 7.94 per cent. shareholding by Andrew Weir is considered a long-term investment.

Company bid for	Value of bid per share**	Market price**	Price of bid	Value of bid (£m)**	Final Acceptance date
Assan Cons. Tea British Elect. Controls	28	20 1/2	20 1/2	0.54	Yule Catto
Brit. Elec. Controls Cavenham	28	30	22	1.1	Messrs. Newark, Rutherford and Ameron
Charringtons Ind. Cottbus Group (Frank Fruehauf)	68 1/2	66 1/2	64 1/2	25.5	General Occidental
Deland (Geo.)	25	25	20	1.05	Coilite & Chem.
Empire Plant	23	25	25	3.6	Fruehauf Cap.
Fox's Biscuits	130 1/2	130 1/2	120	1.9	James (N'rice)
Hindson Print	65	87	40	0.4	MK Electric
Houchin	206	100	122	4.8	Capare Inv.
Jervans Cooper	65	60	60	1.2	Nthern. Foods
Kwikform	158	134	121	8.9	Low & Bonar
Lawrence (Wm.)	429	290	163	0.5	Foreston Ind. Holdings
Lawrence (Wm.) A La Vallone 1st	39 1/2	36 1/2	36	0.6	Delta Electric
Lyndale Engg.	20 1/2	10	10	0.8	Cooper Inds.
Matthews Hldgs.	68 1/2	62	62	1.4	Cooper Inds.
Mono Containers	35	34	30	1.4	Cooper Inds.
Mono Containers	30	34	19	1.25	Cooper Inds.
New Bridge Hldgs.	24	25	23	0.24	Cooper Inds.
Pawson (W. L.)	11 1/2	20	5	1.7	Cooper Inds.
Peechey	35	70 1/2	57	11.7	Cooper Inds.
Peterbush Motors	20	76	42	2.5	Cooper Inds.
Sturley Bros.	13 1/2	150	110	30.8	Cooper Inds.
Summers (O. C.)	45	47	54	0.92	Cooper Inds.
Tebbit Group	7 1/2	12	8	0.22	Cooper Inds.
TPT	90	86	74	7.9	Cooper Inds.

Electric emerged as the mystery bidder for Ega Hold. It launched an agreed £9.4m. offer with the support of 38 per cent. of the shares. The two companies operate centenary businesses and each will retain its own identity. The offer are one MK share and 115p in cash for 50 Ega shares.

contest for British Electronic Controls became more with Derritron asking for an explanation from the retractors of BEC who made the original bid why they pressed their offer by 8p to 20p a share. The three BECs have increased their shareholdings by 18 per cent. in cent. through market purchases at prices in excess of 150p a share and, consequently, have decided to make a revised offer.

regional construction giant Richard Costain has an agreement on the terms of an £8m. offer for m. The offer price, which has already been irrevocably held by Kwikform's directors and family interests who 40 per cent. of the shares, will be 158p in cash. The £8m. agreed bid for Houchin has been made by Dale Electric. The offer seems assured of success as acceptance of the date of the company's capital have already been made. Dale Electric is offering 15 of its own Ordinary shares for eight shares of Houchin. There will also be a cash offer of not less than 194p a share.

Shaugh and Dundee Investment announced that it had a bid approach. Recent speculators in Wilmot-Bredford might be the hope by news that the recent acquisition of Donald's 7.94 per cent. shareholding by Andrew Weir is considered a long-term investment.

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)	Interim dividend per share (p)
Armitage Bros.	July 16	204	—
Bank of Scotland	June 30	15,960	5,445
Arthur Bell	June 30	3,765	4,417
Bemrose Corp.	June 30	1,132	1,914
Bodysate Int.	June 30	437	1,008
C. T. Bowring	July 31	14,951	1,538
Bradwell (FMS)	July 31	274	—
Brit. Printing	July 2	960	10
Brixton Estate	June 30	1,170	1,248
Brown Estery Kent	June 30	2,826	0.78
Bury & Masco	June 30	530	1.24
Charles Clifford	June 30	82	Nil
Cherwell Exts.	July 31	630	0.75
Cohen Bros.	June 30	242	1.63
Dares Estates	June 30	99	Nil
Delta Metal	June 30	13,410	1.82
Dunlop	June 30	31,800	2.65
Eagle Star	June 30	19,360	3.0
Expanded Metal	June 30	1,241	1.625
Garston Engng.	June 30	302	2.7
Stanley Gibbons	June 30	795	1.1
Harris & Sheldon	June 30	1,270	1.13
Restair	July 31	1,802	2.112
J. Hewitt (Fenton)	June 30	66	—
J. H. Hold	June 30	850	0.8
Rush Mackay	June 30	167	1.4
Laportie Ind.	July 3	7,026	2.706
Law Land Co.	June 30	355	0.5
Leeds Ind. & Bldg.	June 30	233	1.64
Liberty & Co.	July 31	593	12.0
Thos. Marshall	June 30	409	1.1
Bernard Matthews	June 30	1,010	4.0
John Menzies	July 31	281	2.227
Harold Perry	June 30	1,491	0.27
Wm. Pickle	June 30	519	0.41
Pittard Group	June 30	1,157	1.02
Plantation Hldgs.	June 30	2,223	1.179
Prudential Asse.	June 30	900	2.45
P. J. Reynolds	June 30	11	0.25
Ranmore Sims	July 2	11,830	2.5
Rockware Group	July 2	4,263	1,996
Rowan & Boden	June 30	202	0.55
Rowntree-Mack.	June 30	12,003	2.75
S. Samuel	July 31	1,638	1.1
Simon Engng.	June 30	5,444	2.7
Small & Thomas	June 30	171	1.24
G. W. Sparrow	June 30	570	0.82
Spears & Jackson	July 31	1,047	3.375
Spence & Nriani	July 31	427	—
Tilbury Contract.	June 30	892	6.0
W. J. Turner	June 30	2,030	0.82
United Biscuits	July 16	17,040	1.75
Vickers	June 30	16,584	3.55

Company	Half-year to	Pre-tax profit	Interim dividends*
Westwood Daves	June 30	78	(42)
Wm. Whittingham	April 30	129L	Nil
Whitkinson Engng.	June 30	89	1.65
Whitson Works	June 30	165	1.6
Winn Industries	June 30	24	1.58

\* Figures in parentheses are for corresponding period. Dividends shown net except where otherwise stated. \* Adjusted for any intervening scrip issue. † For 16 months. ‡ For 12 months. § For 26 weeks. ¶ Will be announced in January 1978. †† For 23 weeks. ††† For 24 weeks throughout. †††† Decision deferred. ††††† For six months. †††††† For nine months. L. Loss.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)	Earnings* per share (p)	Dividends* per share (p)
Armstrong Equip.	July 3	6,265	6.5	5.01
Chambers & Frgs.	July 2	39	135L	2.0
Crosby House	Dec. 31	236L	Nil	147.0
Dolan Peke	July 2	3,180	17.4	12.31
Douglas & Mills	June 30	1,430	11.00	11.81
Ferry Pickering	June 30	788	(339)	9.6
William Hudson	Mar. 31	3,620	(1,090)	16.0
J. Saville-Gordon	Mar. 31	94	124L	1.7
Jentique (Hldgs.)	June 30	596	(389)	1.2
Muar River Rbbr.	Mar. 31	900	1,650	3.2
Ricardo & Co.	June 30	641	1,434	26.8
S. Saville-Gordon	Apr. 30	124	(585)	4.0
Geo. H. Scholes	June 30	1,880	(1,320)	21.3
Staffs. Potteries	June 30	1,058	(702)	19.5
Wadsworth Stores	Apr. 30	372	(876)	7.0
A. Walker	Apr. 30	300L	(247)	Nil
Wm. St. & Country	Apr. 30	225L	(287)	Nil
Zellers Group	Mar. 31	305	(41)	4.2

Offers for sale, placings and introductions

London Borough of Southwark: £20m. of 1 1/4 per cent. Redeemable stock 1984-85 at 99 1/2 per cent. Treasury Stock: £800m. of 8 1/2 per cent. Treasury stock 1982 at 98.25 per cent.

Rights Issues  
Camrex (Holdings): One-for-four at 60p each.

INTERNATIONAL FINANCIAL AND COMPANY NEWS

ITALIAN NEWS

Lower tax lifts David Jones

SYDNEY, Sept. 23. JONES, major retailer. On an after-tax basis the company profit by 5.6 per cent. to £5m. in the first half of July, but only after a 1.51 per cent. tax cut. The company had investment income of £1.24m. in tax resulting from a final dividend of 4 cents (same as last year) and a 10 cent. tax cut. The company's earnings actually rose 9 per cent. but the tax was down almost 58 per cent. to £1.97m. in addition to the £1.24m. investment income of £1.24m. The company had investment income of £1.24m. in tax resulting from a final dividend of 4 cents (same as last year) and a 10 cent. tax cut. The company's earnings actually rose 9 per cent. but the tax was down almost 58 per cent. to £1.97m. in addition to the £1.24m. investment income of £1.24m.

Dutch inflation accounting

AMSTERDAM, Sept. 23. INFLATION ACCOUNTING is due to be introduced in Holland from next year. This week's budget proposals include a report into the need to adapt the current tax system to the effects of inflation—running currently in Holland at around 7 per cent.—will be completed before the end of this year.

Bekaert group's slow first half profit performance

BRUSSELS, Sept. 23. FIRST HALF year results for Bekaert, Europe's biggest maker of industrial wire, show improved profits for the Belgian parent company rose from B.Frs. 7.1bn. in the 1976 first half to B.Frs. 7.1bn. in the 1977 first half. Turnover for the Belgian parent company rose from B.Frs. 7.1bn. in the 1976 first half to B.Frs. 7.1bn. in the 1977 first half. Turnover for the Belgian parent company rose from B.Frs. 7.1bn. in the 1976 first half to B.Frs. 7.1bn. in the 1977 first half.

Syndikats has repaid Bally

ZURICH, Sept. 23. SUMS totalling Sw.Frs. 46m. owed to the Swiss shoe concern C. F. Bally AG by the Zurich holding company Syndikats AG and affiliated companies were repaid with interest on September 9, according to a report prepared by the Swiss auditing company Schweizerische Treuhandgesellschaft. This means that repayment of the outstanding loans occurred almost immediately after Werner K. Rey, the owner of Syndikats AG and former majority shareholder of Bally, had agreed to sell his Bally stake to the industrial group Oerlikon-Buehrle, also of Zurich.

Project growth

SYDNEY, Sept. 23. NET operating profits of Project Development Corporation amounted to \$A1.65m. for the year ended June 1977 compared with \$A222,000 for the six months to June 1976. Revenue was \$A31.5m. against \$A12.1m. the company has changed its financial year from December to June.

Arbed warning

BRUSSELS, Sept. 23. ARBED, the big Luxembourg steel producer, has warned its employees that financial results for the first seven months of 1977 will be worse than for the comparable period of last year. No figures were given. The 1976 total loss by the group was B.Frs. 3bn. (€48m.). Production of crude steel for the first eight months of this year was 2.82m. tonnes, 7 per cent. down on the same period of 1976.

Anyone with £5,000 plus to invest deserves some very special treatment

Up to now, the medium-sized investor had limited opportunity to benefit from professional management in the fixed interest field. Our own specialist expertise, for example, has been confined mainly to the large portfolios of such clients as banking institutions, pension funds, building societies, Lloyd's brokers and substantial private clients. Now, however, we're making this professional management available to every investor with over £5,000 to invest, through our new schemes: The Capital Fund and the Income Fund.

**BREMAR HOLDINGS LIMITED**

Year ended 31st March, 1977

Pre-tax Profits	£1,280,969	£1,130,901
Shareholders' Funds	£110p	92p
Shareholders' Shares	£5,267,067	£4,019,498

Highlights from the statement by the Chairman, Erwin Brecher:

- The upward trend in our domestic banking activities has been maintained throughout the year, with increased demand from existing and new customers for industrial and trade-related finance.
- In January of this year we acquired Bucknall Trust, our first subsidiary listed on the London Stock Exchange, and having appointed a new board and management team, we look forward to extending the Bremer brand of success into the investment trust field.
- The past five years have seen our net assets grow from £765,016 to £4,317,067, and our post-tax profits from £306,387 to £1,103,383, an increase of 464% and 280% respectively. This progress is encouraging evidence that our specialised services are gaining wider acceptance from year to year.

Copies of the 1977 Report and Accounts from the Secretary, Bremer Holdings Limited, Bremer House, Sale Place, London W2 1PT. Telephone: 01-262 5000. Intertel: 21969.

Perstorp recovery continues

PERSTORP, the Swedish Kr4 a share, conforming with the dividend restraint recommended by the Government, but the second year running with a one-for-five stock dividend is also planning a stock dividend of one-for-five. Financed from earnings to Kr. 35m. (€6.3m.) for disposable funds, this would raise the ending August 31 the share capital to Kr. 73.2m. According to the preliminary un-audited report, sales rose by 20 per cent. to Kr. 930m. (€110m.). Subsidiaries as the group continued as "satisfactory". Net adjusted earnings came out at Kr. 23 a share against Kr. 16. The Board proposes to U.S. last year. The dividend of an unchanged dividend of pending group division last year.

**SPEAR & JACKSON INTERNATIONAL LTD**

Tools for industry, house and garden.

1977	1976	1976
6 months to June	6 months to June	12 months to Dec.
£000	£000	£000
21,128	16,795	37,932
1,017	378	1,411
8.5p	3.0p	11.5p
5.417p	2.43p	11.35p

Interim report from the Chairman, Stephen de Bartolomé: "Progress in the first half year has been up to our expectations. For the full year I repeat what I said in my review for 1976 'we shall be very disappointed if the profits for 1977 do not materially exceed those for 1976'."

**BUILDING SOCIETY RATES**

Every Saturday the Financial Times publishes a table giving details of BUILDING SOCIETY RATES on offer to the public. For further details please ring 01-248 8000, Extn. 459

**Midland Drayton High Yield Unit Trust**

A MIDLAND BANK GROUP UNIT TRUST

7.52% An income 50% higher than the ordinary share average, with scope for capital growth.

Application Form

To: Midland Bank Group Unit Trust  
Midland Bank Group Unit Trust  
Silver Street, London EC2P 2B5.  
Tel: 07-22 2222

I enclose a cheque payable to you for the amount of £200 (minimum £200)

For investment in Distribution Units - Accumulation Units - (the choice of Midland Drayton High Yield Unit Trust at the time of application is final and irrevocable. For our terms and conditions of sale, please refer to the prospectus dated 22nd September 1977, or 65-571.

Surname (Mr., Mrs., Miss) \_\_\_\_\_  
Forenames in full \_\_\_\_\_  
Address \_\_\_\_\_  
Postcode \_\_\_\_\_ Date \_\_\_\_\_

I declare that I am not resident outside the United Kingdom and that I am not a person resident outside these territories. If you are a resident of a territory outside the United Kingdom, please refer to the prospectus for details of the application procedure.

Signature \_\_\_\_\_  
(Use the name of trust applicants, all must sign)  
Please send me details of your Share Exchange Scheme.  Yes  No  
(tick if applicable)



WALL STREET + OVERSEAS MARKETS + ASIA PRICES OVERSEAS SHARE INFORMATION

Mild early rally: up 2.5

BY OUR WALL STREET CORRESPONDENT

A MILD RALLY developed on Wall Street today, although investors remained cautious following last night's Federal Reserve report of another surge in weekly money supply and indications of additional credit tightening.

Closing prices and market reports were not available for this edition.

THURSDAY'S ACTIVE STOCKS

Analysts said the Government's positive report on August's durable goods orders, ignored yesterday, shows there is some life in the economy.

In the news, Citibank held its prime rate unchanged at 7 1/2 per cent.

Other Markets

Canada mixed

THURSDAY'S ACTIVE STOCKS

NEW YORK

Table of stock prices for New York, including columns for Stock, Price, and Change.

INDICES

Table of various stock indices including Dow Jones, S&P 500, and others.

RACING BY DOMINIC WIGAN

Conte Santi set for Royal Lodge

Conte Santi, who has improved out of all recognition since chasing home the second-rate Top of the Class at Lingfield two weeks ago, could gain his most important success so far in this afternoon's renewal of the Royal Lodge Stakes at Ascot.

ACSCOT

Table of racing results for Ascot, listing race names, winners, and odds.

STOCKS

Table of international stock prices for various countries like Germany, Paris, Australia, Tokyo, etc.

INDICES

Table of various stock indices including Dow Jones, S&P 500, and others.

F.T. CROSSWORD PUZZLE No. 3475

A prize of £3 will be given to each of the senders of the first three correct solutions opened.

Crossword puzzle grid with clues for Down and Across.

SOLUTION TO PUZZLE

1 Apprehend a certain amount will be appalling (5)

SOLUTION AND WINNERS OF PUZZLE No. 3469

Following are the winners of last Saturday's prize puzzle:

SPAIN

Table of stock prices for Spain.

BRASIL

Table of stock prices for Brazil.



Academic freedom promise to China scientists

Scientists have been promised academic freedom and their academic freedom during the revolution. They are also to be given the right to exchange knowledge with the world.

Criminal suit filed against Gandhi

A CRIMINAL suit has been filed against Mrs. Indira Gandhi, former Prime Minister, in the court of the New Delhi Metropolitan magistrate.

Port freight backlogs 'largely clear'

PEKING, Sept. 23. CHINA SAYS port freight backlogs that have hampered exports for more than a month are largely being cleared and ships are being turned around faster.

Oil production slows to 10%

Oil production in the north-west and north China, and crude oil production is only running at 90 to 100% of normal.

INCOME + GROWTH

with the ARBUTHNOT HIGH INCOME FUND. The track record in both income and capital is excellent. The objective is initial high income plus income and capital growth in the longer term.

COMMODITIES/Review of the week

Commodity prices fell to attract lows on the market yesterday. In addition to white sugar sales, reports of sales by other producing countries seeking increased quotas.

MARKET REPORTS

BASE METALS. Copper - steady lower on the London market. Tin - steady lower on the London market.

U.S. Markets

Copper and sugar ease; coffee falls. NEW YORK, Sept. 23. COPPER eased on speculative profit-taking. Precious metals traded in quiet conditions.

PRICE CHANGES

Table with columns for Commodity, Unit, Price, and Change. Includes items like Wheat, Rice, Sugar, and various oils.

COFFEE

Table showing coffee prices for various grades and origins, including Arabica and Robusta.

GRAINS

Table showing grain prices for wheat, barley, and other cereals, including international and local markets.

Financial Times, London. All prices are in pence per unit unless otherwise stated. \*Estimated Current Gross Yield.



BRITISH FUNDS (588)

Table listing various British funds with columns for fund name, date, and price. Includes funds like British Fund, British Growth, British Income, etc.

This week's SE dealings

Summary table of stock exchange dealings for Friday, September 23, and Monday, September 19, 1977. Columns include date, volume, and price.

The list below records all yesterday's markings and also the latest markings during the week of any share not dealt in yesterday. The latter can be distinguished by the date in parentheses.

FOREIGN RAILWAYS

Table listing foreign railway stocks such as Armagh-Toulouse, British Rail, etc.

BANKS & DISCOUNTS (170)

Table listing bank and discount rates for various institutions like ANZ, Citibank, etc.

CANALS, DOCKS (4)

Table listing canal and dock stocks like All-Sea Shipping, etc.

COMMERCIAL INDUST. (3,303)

Table listing commercial industry stocks like A.A.H., Agri-Food, etc.

PUBLIC BODIES—U.K. (27)

Table listing public bodies like Agricultural, British Gas, etc.

BREWERIES, DIST. (169)

Table listing brewery and distribution stocks like Allied Brews, etc.

CWLTIL GOVT. & PROV. (13)

Table listing central government and provincial stocks like British Gas, etc.

COMMONWEALTH CORP. STOCKS

Table listing commonwealth corporation stocks like South Africa, etc.

Chas. and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List only if they are included in the following list.

FOREIGN RAILWAYS

Table listing foreign railway stocks like British Rail, etc.

BANKS & DISCOUNTS (170)

Table listing bank and discount rates for various institutions like ANZ, Citibank, etc.

CANALS, DOCKS (4)

Table listing canal and dock stocks like All-Sea Shipping, etc.

COMMERCIAL INDUST. (3,303)

Table listing commercial industry stocks like A.A.H., Agri-Food, etc.

PUBLIC BODIES—U.K. (27)

Table listing public bodies like Agricultural, British Gas, etc.

BREWERIES, DIST. (169)

Table listing brewery and distribution stocks like Allied Brews, etc.

CWLTIL GOVT. & PROV. (13)

Table listing central government and provincial stocks like British Gas, etc.

COMMONWEALTH CORP. STOCKS

Table listing commonwealth corporation stocks like South Africa, etc.

Table listing various international stocks and currencies like Canadian, Japanese, etc.

FOREIGN RAILWAYS

Table listing foreign railway stocks like British Rail, etc.

BANKS & DISCOUNTS (170)

Table listing bank and discount rates for various institutions like ANZ, Citibank, etc.

CANALS, DOCKS (4)

Table listing canal and dock stocks like All-Sea Shipping, etc.

COMMERCIAL INDUST. (3,303)

Table listing commercial industry stocks like A.A.H., Agri-Food, etc.

PUBLIC BODIES—U.K. (27)

Table listing public bodies like Agricultural, British Gas, etc.

BREWERIES, DIST. (169)

Table listing brewery and distribution stocks like Allied Brews, etc.

CWLTIL GOVT. & PROV. (13)

Table listing central government and provincial stocks like British Gas, etc.

COMMONWEALTH CORP. STOCKS

Table listing commonwealth corporation stocks like South Africa, etc.

M&G Recovery advertisement. Features a large 'FUN' graphic and text describing the investment fund's performance and investment options. Includes 'TWO WAYS TO INVEST' and 'FOUNDER'S OF BRITAIN'S UNIT TRUSTS'.

Table listing various international stocks and currencies like Canadian, Japanese, etc.

Table listing various international stocks and currencies like Canadian, Japanese, etc.

FINANCE FOR INDUSTRY TERM DEPOSIT advertisement. Details terms and rates for industry term deposits.



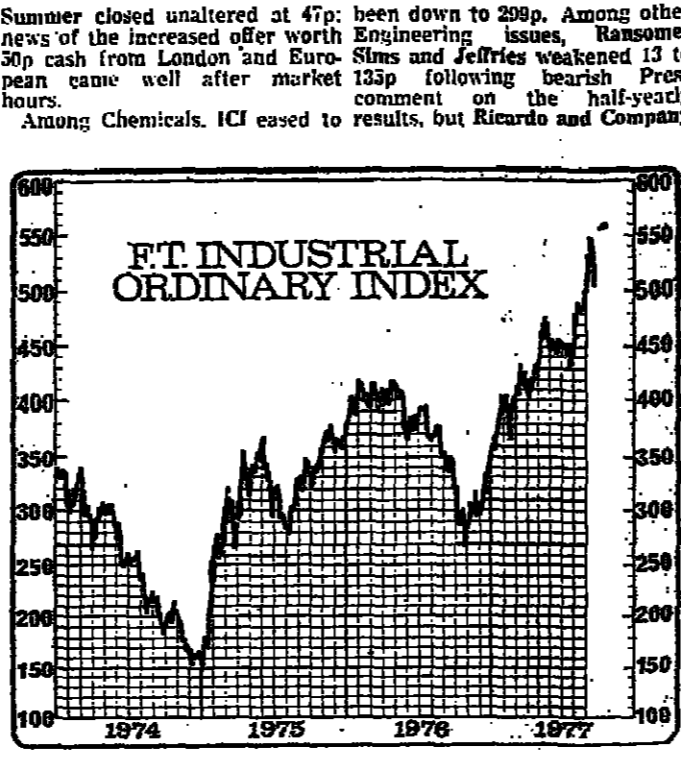




STOCK EXCHANGE REPORT

Long Gilts forge ahead again on yield considerations Golds in renewed demand—Leading equities quietly mixed

Account Dealing Dates... First Declared Last Account Dealings... Strength of long-dated British Funds on foreign and domestic buying for yield featured stock markets for the third successive day.



415p. before recovering to settle only a penny lower on the day at 415p. Elsewhere, Great Manufacturing gave up 7 to 10p and Albright and Wilson 3 to 10p.

renewed, 300p, and the A, 353p, shed 1 1/2 from Penney, at 69p, which is still 14 above the cash bid from Tilling, Redifern National Glass shed 5 more to 255p on further consideration of Rockware's bid to the Monopolies Commission.

FINANCIAL TIMES STOCK INDICES table with columns for Government, Fixed Interest, Industrial Ordinary, Gold Mines, and other categories.

HIGHS AND LOWS table showing price ranges for various stock categories like Govt. Secs., Fixed Int., and Industrial.

similar up at a high of 417... to Gold Mines, which rose 19p for a weekly high of 18.

RISES AND FALLS table listing individual stock movements with columns for Rise and Fall.

NEW HIGHS AND LOWS FOR 1977 table listing new price records and lows for various stocks.

ACTIVE STOCKS YESTERDAY table listing stock prices and changes for various companies like ICI, BP, Shell, etc.

ON THE WEEK table showing weekly performance for various stock categories.

BASE LENDING RATES table listing interest rates for various banks and financial institutions.

OPTIONS TRADED table listing details of options transactions including deal dates and prices.

RECENT ISSUES table listing newly issued securities and their details.

FIXED INTEREST STOCKS table listing prices and yields for various fixed interest securities.

'RIGHTS' OFFERS table listing details of rights issues and offers.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Act

Large table containing FT-Actuaries Share Indices with columns for Equity Groups, Sub-sections, and various indices.

FIXED INTEREST PRICE INDICES table listing prices and yields for various fixed interest securities.



AUTHORISED UNIT TRUSTS

Table of authorised unit trusts including categories like Equity, Bond, and Money Market. Lists fund names, managers, and performance metrics.

OFFSHORE AND OVERSEAS FUNDS

Table of offshore and overseas funds, listing various international investment vehicles and their details.

alited 01-351 3466. Three month Lead 343-347... trading on commodity futures...

Lawson High Yield Fund advertisement featuring a large '0.8%' graphic and text describing the fund's performance and investment strategy.

Continuation of the Unit Trusts table, listing additional funds and their associated managers.

INSURANCE, PROPERTY, BONDS

Table listing various insurance, property, and bond products, including company names and policy details.

CLIVE INVESTMENTS LIMITED
1 Royal Exchange Ave., London EC3V 3LU. Tel: 01-353 1101

INSURANCE BASE RATES table showing rates for different types of insurance and property.



**PIMS**  
The Personal Investment Management Service  
specifically designed for the larger investor.  
exclusive to  
**SCHLESINGERS**  
01-199-3100

# FT SHARE INFORMATION SERVICE

## AMERICANS—Continued

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## BUILDING INDUSTRY—Cont.

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## DRAPERY AND STORES—Cont.

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## ENGINEERING—Continued

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## INDUSTRIALS (Misc.)

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## BRITISH FUNDS

Shorts (Lives up to Five Years)

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## Five to Fifteen Years

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## Over Fifteen Years

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## Undated

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## INTERNATIONAL BANK

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## CORPORATION LOANS

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## COMMONWEALTH & AFRICAN LOANS

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## LOANS (Misc.)

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## FOREIGN BONDS & RAILS

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## AMERICANS

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## CANADIANS

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## BANKS AND HIRE PURCHASE

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## Hire Purchase, etc.

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## BEERS, WINES AND SPIRITS

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## BUILDING INDUSTRY—Cont.

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## DRAPERY AND STORES—Cont.

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## CHEMICALS, PLASTICS

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## CINEMAS, THEATRES AND TV

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## DRAPERY AND STORES

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## ENGINEERING—Continued

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## ELECTRICAL AND RADIO

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## ENGINEERING MACHINE TOOLS

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## FOOD, GROCERIES, ETC.

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## HOTELS AND CATERERS

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## ENGINEERING—Continued

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## ELECTRICAL AND RADIO

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## ENGINEERING MACHINE TOOLS

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## FOOD, GROCERIES, ETC.

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

## HOTELS AND CATERERS

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

High	Low	Stock	Price	Div	Yld	PE
100.00	99.50	Transocean	100.00	1.00	4.00	10.00

Handwritten signature or mark at the bottom center of the page.



STOCKS—Continued

Table of stock prices and movements, including columns for stock names, prices, and changes.

INSURANCE—Continued

Table of insurance company shares and prices.

PROPERTY—Continued

Table of property-related financial data and shares.

TRUSTS—Continued

Table of trust shares and prices.

TRUSTS—Continued

Table of trust shares and prices.

MOTORS, AIRCRAFT TRADES

Table listing motor and aircraft trade companies and their shares.

SHIPBUILDERS, REPAIRERS

Table listing shipbuilders and repairers.

SHIPPING

Table listing shipping companies.

SHOES AND LEATHER

Table listing shoe and leather companies.

SOUTH AFRICAN

Table listing South African companies.

NEWSPAPERS, PUBLISHERS

Table listing newspaper and publishing companies.

PAPER, PRINTING ADVERTISING

Table listing paper, printing, and advertising companies.

PROPERTY

Table listing property-related companies.

TOBACCO

Table listing tobacco companies.

TRUSTS, FINANCE, LAND

Table listing trusts, finance, and land companies.

FINANCE, LAND, ETC.

Table listing finance, land, and other companies.

DIAMOND AND PLATINUM

Table listing diamond and platinum companies.

SUMITOMO HEAVY INDUSTRIES, LTD. For ocean development, systems engineering, and environment protection.

MINES—Continued CENTRAL AFRICAN

AUSTRALIAN

TINS

OVERSEAS TRADERS

RUBBERS AND SISALS

TEAS

INDIA AND BANGLADESH

SRI LANKA

AFRICA

MINES CENTRAL RAND

EASTERN RAND

FAR WEST RAND

REGIONAL MARKETS

O.F.S.

FINANCE

OPTIONS 3-month Call rates

DIAMOND AND PLATINUM

DIAMOND AND PLATINUM

DIAMOND AND PLATINUM

DIAMOND AND PLATINUM

DIAMOND AND PLATINUM

DIAMOND AND PLATINUM

DIAMOND AND PLATINUM

DIAMOND AND PLATINUM

DIAMOND AND PLATINUM

DIAMOND AND PLATINUM

DIAMOND AND PLATINUM

DIAMOND AND PLATINUM

NSURANCE

Table of insurance companies and their shares.

PROPERTY

Table of property-related companies.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land companies.

FINANCE, LAND, ETC.

Table of finance, land, and other companies.

DIAMOND AND PLATINUM

Table of diamond and platinum companies.

Unless otherwise indicated, prices and net dividends are in pence and denominated in the United Kingdom sterling... NOTES

STERLING denominated securities which include investment... NOTES

THIS service is available to every Company dealt in on... NOTES

THE following is a selection of London quotations of shares... NOTES

DIAMOND AND PLATINUM... NOTES

DIAMOND AND PLATINUM... NOTES





...built for the job 6m-23m  
Cowes, Isle of Wight, Tel: Cowes 5631 Telex: 86486

THE PEPE SHERRY  
The Spanish name for SHERRY

THE LEX COLUMN

The market's split personality

It has begun to look this week as though the equity and gilt-edged markets may have negotiated a significant parting of the ways. Equities have been foundering in the wake of a further batch of poor profits news... Index fell 0.8 to 504.7

Nuclear powers agree on safeguards protection

AGREEMENT TO consult and possibly impose sanctions on any country found breaching international nuclear safeguards... BY DAVID FISHLICK, SCIENCE EDITOR

MAN OF THE WEEK

Policeman of western economies

NEARLY A YEAR AGO as Britain's sometimes acrimonious negotiations with the International Monetary Fund seemed dangerously close to collapse... BY DAVID BELL



Dr. Johannes Witteveen Holding the ring in the world financial system

Without telling even his fellow directors he boarded a Concorde for Europe... He went on to say, however, that TUC policy was for an immediate return to free collective bargaining when Phase Two deals expired...

Jones tells Government to think again on pay

THE GOVERNMENT was told by Britain's biggest trade union yesterday that it should reconsider its inflexible attitude towards the level of pay settlements in both public and private sectors of industry... BY CHRISTIAN TYLER, LABOUR EDITOR

Taxman gives in to Ombudsman

A taxpayer is to get a refund of £644 after the Inland Revenue has given in to widespread public protest and has agreed to abide by a verdict of the Ombudsman... BY MICHAEL LAFFERTY, CITY STAFF

Jenkins to head campaign for EEC monetary union

THE EEC Commission, under the presidency of Mr. Roy Jenkins, is preparing to launch a full-blown campaign aimed at convincing governments to accept an advanced form of European monetary union... BY GUY DE JONQUIERES, COMMON MARKET CORRESPONDENT

Bank charges scrutiny

have had been increased since 1972. The gas and electricity business account for about 1 per cent of Barclays' total commission income... Continued from Page 1

Weather section with tables for U.K. TODAY, S.W. Scotland, Glasgow, and BUSINESS CENTRES.

America: the next opportunity

The case for investing in the U.S.A. now... American PIMS... Avoiding the risks of the \$ premium... Trident American Growth Fund... Includes a line graph showing stock market trends.

Vertical sidebar with various advertisements and notices, including 'The Lex Column' and 'American PIMS'.